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REGIONAL AFFAIRS

Editorial: Talks Could Make Clinton Peacemaker

93AE0242A London AL-SHARQ AL-AWSAT in Arabic
11 Jan 93 p 15

[Text] Even before officially assuming the presidency, Bill Clinton expressed his resolve to continue the Middle East peace process. The official responsible for coordinating the talks is expected to be appointed, and a date for the next round of talks will be set here in Washington within a few weeks after Clinton assumes office.

All of this is fine, but maybe the time has come to give the talks a new momentum. The mere fact that none of the parties abandoned the process after 14 months of mostly frustrating talks is in itself encouraging. But the objective is not just the talks. After a long or a short time—we prefer a short time—tangible results must be reached, that is if the process is to achieve any results at all.

Clinton has an excellent opportunity to win a reputation as a peacemaker by convincing Israel to review its decision to expel more than 400 Palestinians. Reasonable people, even inside the Israeli cabinet, say the measure was unjust and politically unwise. Among the tactics to which the extremists on all sides resort is to try to push the other side to adopt hard and impossible stands by steadily escalating rejection. The expulsion decision has given such an opportunity to the enemies of peace in all of the countries concerned. Bill Clinton gave the right signal when he chose a moderate foreign policy team. The United States can continue to play the mediator role at least, if not that of a peacemaker.

In the past few years, the Middle East has witnessed major and important changes. Opportunities have been created. New doors have been opened, and new risks have appeared on the horizon. The collapse of the Soviet Union has removed one of the most important sources of tension in the region. Antagonism between the two super powers no longer reflect on relations between countries of the area. The tragic scenes that we see in most parts of the world should serve as a warning to all those who call for conflict instead of agreement, and for war instead of peace.

The Arab side to the peace process in Madrid has, in the words of former Secretary of State James Baker, shown a high degree of "responsibility and realism." In other words, the ball is now the court of the other side, and the United States has a moral and diplomatic responsibility that makes it incumbent upon it to ensure that Israel behaves likewise.

Thus, the next step should come from Clinton.

Sources Report on Software Use in Arab World

93AE0245A London AL-HAYAH in Arabic 16 Dec 92
p 15

[Article: "85 Percent of Software Used in the Arab World Has Been Copied"]

[Text] Sources in the Arab software industry here expect that this industry will see a new, important leap forward in 1993, which will have positive effects on companies and institutions that are operating in the Arab world.

The sources point to the growing desire of software companies throughout the world to enter Middle East markets with Arabic products. This is a result of several encouraging factors, including the continuation of economic growth in the region and the fact that local markets are not yet saturated with data techniques. In addition, the time is nearing when local laws will be enacted in the region to regulate and protect publication rights, copyrights, and patents on inventions.

However, these sources stated that talk about developing the Arabic data market clashes with the following facts:

- The narrowness of the Arab market in general, in view of the incomplete regional data base for many midsize and small Arab institutions;
- The continuation of widespread software piracy, which results in big losses for producer companies and chaos in the market, as a result of certain hardware agents distributing free software, copied by illegal means, to any buyer of their equipment;
- Rapid development of software, as a result of intense competition, which has overburdened companies. Scarcely a month or so goes by that a software company does not announce a new program or a change in an existing program, as is presently happening with the International [IBM] and Microsoft companies. Apparently, the Arab user is the primary beneficiary of this competition, which contributes to the continual smashing of prices. In addition, it gives the user the opportunity to obtain a free upgrade of the program, as soon as a new copy of it is issued. This is a matter that did not exist in the past.

While hardware prices suffer from the long lasting recession, the software market in the Arab nations still continues to be in growth stages, despite the relatively narrow margin available for original programs.

A senior official in the German Siemens Company, a company that has not yet actually entered the computer market in the Middle East, despite the fact it established a regional office in Dubayy a while ago, admitted recently that hardware is no longer the measurement of added value for data systems. What will actually determine this system from now on is the software package, the applications and their transparency, and the extent of upgrade-ability, whereas in the past, this software used to be distributed gratis with the hardware.

In preparation for the general leap forward in 1993, the IBM and Lotus companies announced the start of the actual production phase of the famous Lotus 1-2-3 for Windows environment, which IBM has Arabized, using a joint team of scholars in the IBM Programming Center in Cairo and at the Lotus Company software development base in Dublin.

Some analysts say that this project's success may perhaps lead to other projects by these two companies, which may be a move to outflank the marketing attack currently being launched by the American software giant, Microsoft, in the Arab region. IBM and Lotus will be the two companies most hurt by Microsoft's entry into the Middle East, especially since the latter has been able to overcome the stir caused by temporary decisions, issued by certain Arab countries, such as Kuwait and Jordan, to ban the entry of Microsoft products, even if for a limited time, after which this ban would be lifted.

The motive behind this decision was information received by Arab boycott offices about the Arabicization of certain Microsoft programs in Israel. Microsoft has denied this and has responded with full information about the team that Arabicized these programs at its headquarters in the United States.

With regard to IBM, the issuing of Lotus 1-2-3 for Windows will contribute to the distribution of a series of Arabic products, which have presently been perfected and are capable of competing with the most important products of world companies. These programs provide the user with menus, diagrams, and reports in two languages, Arabic and English, along with places to edit text. Lotus hopes that this cooperation will bolster its position in countering Microsoft, inasmuch as it is believed that issuing the Arabic Lotus 1-2-3 is the first step in its projects for Arabicization.

In addition, IBM recently announced its new project with the Hewlett Packard to provide the latter with the Arabicization devices for its printers. This undoubtedly means the beginning of joint projects among certain companies operating in the field of Arabicization, in order to reduce costs and strengthen their positions vis-a-vis competing companies.

The Microsoft company's recent issuing of Windows 3.1, with full Arabic assistance, is considered a successful step for the company as a means of entering the region as the principal software company for hardware operating in Arabic, in terms of operating systems. It has already put out various software packages, such as Windows for Workgroups.

Piracy

A Lotus Company official told AL-HAYAH that the software piracy issue has become the foremost concern for computer software companies operating in the Arab world. More than 80 to 85 percent of software used in this region is copied by illegal means. This has put the Arab region on the "blacklist" of areas with regard to the software industry, where the size of the pirated software market exceeds the original. This also means that the giants of the world's software industry, who chose the Arabization route, are today working with only 15 to 20 percent of the total software market. This causes them heavy losses.

The official hoped that laws concerning copyright rights, expected to be enacted soon in several Arab countries,

would ensure minimum protection for software developers, like Lotus, IBM, Microsoft, Saudisoftware, Zero-One Systems, etc.

The Lotus official added that these companies are continuing to Arabicize software and develop Arabic programs in accordance with the demand. These companies are earning profits, despite the narrowness of the market. Just imagine the situation if the percentage of legal software was raised from 20 to 50 percent, for example.

Regarding the ongoing debate over the need to provide internal protection for software to prevent its being copied, the official pointed to the numerous problems that this protection causes, in terms of making obstacles for users on the one hand, and the incompatibility of these methods with the environment of open systems, whose effectiveness is increased whenever the software's transparency is increased, which ensures compatibility with other computer systems.

It is evident that the three main software companies operating in the Middle East, Microsoft, IBM, and Lotus, are striving—before software protection laws are enacted—to expand horizons to the maximum in the markets, in order to create standardized software especially for them. This is a process that is happening now, as a result of the illegal piracy of software. This process will contribute to expanding the horizontal base for the three companies' users, which will give these companies the opportunity for greater competition in the future.

Report Profiles 'Islamic Relief Agency,' Funding

93AE0242B Amman AL-DUSTUR in Arabic 30 Nov 92
p 10

[Interview with Sai'd 'Abdallah Sa'id, the Middle East regional director of the Islamic Relief Agency by Ahmad Shakir; place and date not given]

[Excerpts] The Islamic Relief Agency was established in 1981 as a response to the obvious neglect shown toward Islamic refugees in various parts of the world in general and in Sudan in particular, where refugees came from Chad, Eritrea, Ethiopia, and Uganda.

A number of doctors, who by virtue of their profession are generally the closest to refugee problems, got together and established an agency to care for those refugees. The Islamic Relief Agency then developed into an agency that cares for refugees, the poor, and the needy people in general.

In order to know about the work and tasks of this humanitarian agency, AL-DUSTUR had an interview with Dr. Sa'id 'Abdallah Sa'id, its Middle East regional director.

[Shakir] How was the Islamic Relief Agency established, and what are its objectives?

[Sa'id] Briefly stated, the Islamic Relief Agency's objectives that are contained in its statutes are as follows:

- Translating and putting into effect the principles of charity, solidarity, compassion, cooperation in doing good deeds, and providing succor to the needy into a tangible reality and a way of life and behavior.
- Deepening ties of cooperation among the peoples in general with their different religions, languages, and color.
- Providing basic services to the weak, the dispossessed, and the displaced in the land, and the victims of catastrophes and natural disasters, famine, wars, political and security disturbances without discrimination on the basis of race, color, creed, or nationality.
- Working to develop human capabilities and helping the needy in order to enable them earn their basic livelihood.

[Shakir] What are the resources for financing the Islamic Relief Agency and the centers from which it carries out its work?

[Sa'id] There are three basic resources for Islamic Relief Agency financing:

- Cooperation with international organizations, particularly the specialized UN agencies, such as the High Commission for Refugees, UNICEF, the UN Fund, and others in order to finance projects that are located in [the countries that host] the Islamic Relief Agency offices.

The Islamic Relief Agency has several experiments in financing joint projects with similar associations and organizations, including the British Oxfam, the U.S. Worldvision, CARE, the Red Cross, and many others.

Contributions that the Islamic Relief Agency collects from charity donors to be distributed according to their wishes or to certain projects agreed upon with them.

Islamic Relief Agency investments represented by the International al-Ruwasi Charity Company, which has become one of the biggest companies operating in the investment field, such as food security, food industries, and others. It was the al-Ruwasi Company that obtained permission from the United Nations to ship meat from Sudan to Iraq. The aircraft, which was chartered by the Islamic Relief Agency, was the first civilian plane to land in brotherly Iraq's airports carrying relief for the Iraqi people who are suffering under an unjust siege.

The Islamic Relief Agency operates and offers services through two types of offices:

- Support offices: These are found in rich countries, such as the United States, Britain, Germany, Austria, Denmark, Sudan [as published], and Norway, in addition to some Arab Gulf countries.
- Service offices: These are regional offices, such as the Middle East office, located in Amman; the Horn of Africa office, located in Addis Ababa; the East Africa office, located in Nigeria; the West Africa office, located in Dakar; and the Southeast Asia office

located in Pakistan. This is in addition to the office in Sudan. A special office has been established in Sudan to serve as the agency's headquarters.

[Shakir] What standards does the Islamic Relief Agency adopt in distributing relief? Does the Islamic Relief Agency take any political factors into consideration when carrying out its programs?

[Sa'id] The standards that the Islamic Relief Agency adopts for relief when implementing its programs are those provided for in its goals, namely to extend a helping hand and assistance to any needy person regardless of his religion, color, race, or nationality.

The Islamic Relief Agency never looks at political considerations when providing these services. It operates in accordance with the laws and regulations governing volunteer work in all the countries in which it operates, which total more than 40 countries so far.

[Shakir] The Islamic Relief Agency was the first to break the siege imposed on Iraq. what did you offer in this regard?

[Sa'id] [passage omitted] With regard to breaking the siege, a company belonging to the Islamic Relief Agency had in fact offered to the United Nations to supply meat to the brotherly Iraqi people, which the United Nations accepted. The Islamic Relief Agency had thus scored a first in this field. If anything, this means that the Islamic Relief Agency works persistently to ease the brotherly Iraqi people's sufferings. The Iraqi people have been suffering for a long time, and the children, the old people, and the women have been the victims of this predicament as a result of food and medicine shortage. [passage omitted]

In view of the tragic situation of the Muslims of Bosnia-Herzegovina, an Islamic Relief Agency office has been opened there to provide relief to those who are suffering from the situation, especially the refugees who have been dispersed and thrown out of their homes by the war. They are facing the calamity of the war, on one hand, and the threat of becoming dispossessed refugees, on the other. The same situation exists in Somalia, where hundreds of peoples are dying of starvation daily. The Islamic Relief Agency has organized an airlift from Sudan, the nearest area in which foodstuffs are available and from which they can be shipped to the Somali people and to the rest of the African countries that are suffering from food shortages and severe poverty. In addition to that, there are Islamic Relief Agency offices in Afghanistan, Pakistan, Bangladesh, and Lebanon that provide food, clothing, and shelter for every needy person regardless of his color, language, or creed. [passage omitted]

Facility of Acquiring Residency Cards Faulted

93AF0371A Algiers ALGERIE ACTUALITE in French
13-19 Jan 93 p 13

[Article by A. Sayoud: "Bechar/Beni-Ounif: Legal Roads for Smuggling"—first paragraph is ALGERIE ACTUALITE introduction]

[Text] Beni-Ounif is a major stop on smugglers' routes. The African light-vehicle connection now goes through it, apparently because residency cards—which must be left as a guarantee at the customs station—are disconcertingly easy to obtain in Nouakchott, Niamey, and Bamako.

It is not the North anymore, but still not the deep South. In that unreal and indefinite space, Bechar grew, a town rendered mysterious and unfathomable by its many facets. It possesses many characteristics of the large cities in the North, and all the charms of Saharan towns. A clever mix that surprises, challenges, bewilders, but does not reveal its enigmas. An elusive town, it cultivates secrecy with refinement, even feigning a lack of concern and indifference for anything that moves deep inside it. Its distant history, and its most recent history as well, have shaped it that way, made it into a buffer zone, a military fortress. Is Bechar like this because it is essentially a garrison town? Yet, it can hush and conceal this aspect too, to make itself look like any other town....

It is under this impenetrable mask that the town offers itself to visitors. "Bechar is not a town where smuggling can thrive, as is the case elsewhere, because the town and its area are essentially a military zone." The explanation is logical. Smugglers will not venture near this well-guarded border. The military presence is a most powerful deterrent: "It is quite the opposite of the Hoggar desert vastness."

Could that have rendered Bechar miraculously immune to the smuggling virus that has undermined the whole of Algeria? The answer can be found at the town market: smuggling thrives here just like everywhere else. The downtown market constitutes the beating heart of the town, the stronghold of the "legalized" parallel economy. Everything there comes from somewhere else: all kinds of clothing, cosmetics, electronic devices and gadgets, Marlboro cigarettes, and a whole range of other products. It is Bechar's equivalent of the Cours Belsunce. But, then, where do all these products come from? Although Bechar does not "engage" in smuggling like other border towns, it nevertheless constitutes a center highly valued by these merchants of a new type. Because of its geographic situation, it cannot fail to be the "hub" for this activity, attracting and redistributing this "providential" manna of the eighties: distant Niger supplies it with Marlboro cigarettes; close by, Mali, Mauritania, and Morocco come here to buy Lahda, oil, and other subsidized staples, in exchange for which they swamp its market with their counterfeit junk! This is the way it works; no one has anything to say "because everybody

needs smuggling; we denounce it only when it does not affect us," as a local customs official put it.

Bechar, for which this motto has become a rule, seems to be unaware of the damage caused by this underground economy. To better hide its corruption, it blames smaller local towns: "This comes from Tindouf, Adrar, Bordj Badji-Mokhtar, or simply from Beni-Ounif."

Actually, Beni-Ounif is in a way like Bechar's beating heart, a part of itself that it would have left some 160 km further north, its "horn of plenty" so to speak. This border village, just opposite Figuig in Morocco, represents an invaluable source of income for the Saoura capital, a major entry road for all the products that supply Bechar's unofficial market. Paradoxically, these products do not arrive through the roundabout ways favored elsewhere by professional smugglers. Here, they are introduced most legally through the customs station. The ties that link families in both villages are put to good use to cross the border with all sorts of products. They marvelously enact the principle of communicating vessels: Figuig gets staple products; Beni-Ounif gets the goods that will supply the black market. An "unfair" reciprocity that nevertheless has become law. Better still, the professional smugglers who thus bleed the country's economy lack neither ingenuity, nor intelligence when it comes to making the best of regulatory loopholes, which are numerous: for instance, the loophole that allows the port-free importation of goods worth the equivalent of 7,000 Algerian dinars; or the one that imposed only minimal taxes on any import whose total value did not exceed 22,000 Algerian dinars. These represent windfalls for people living along the border, who make unlimited trips across the border, and a hard-to-estimate total loss for the Treasury.

Cars: The African Connection

It is these many little trips that unobtrusively feed large-scale smuggling. But in Beni-Ounif, things do not stop there. For some time already, this border post has been stormed by a multitude of transients driving passenger cars and heavy vehicles. They come from all over Algeria as well as from neighboring sub-Saharan countries. Although Algerian merchants and private carriers who import the trucks and busses they need for their activities go through Beni-Ounif just as a way to avoid the long waits and related expenses at the Akid Lotfi border station, it is not by chance that this passage point on the outermost southwest border is chosen as a transit point for passenger cars. Actually, it meets the needs of the traffic in light vehicles, which is becoming ever more obvious and is practiced by Algerian citizens residing in Mauritania, Niger, Mali, Tunisia, or Libya, as well as by Tunisians, Moroccans, and even Europeans. Beni-Ounif has now become a choice transit point for vehicles stolen in Europe to be resold in sub-Saharan Africa, or quite simply for vehicles legally imported under tourism regulations, but which do not leave the country after the

prescribed time. The trick is simple: all it takes is to get a Mauritanian, Malian, or Nigerian residency card, which is left as a guarantee at the customs station, as required by law, and to sell the vehicle as spare parts on the Algerian market. The operation can be repeated as many times as the trafficker wishes because, in the countries mentioned, he will have no problem getting a residency card. Some Algerians, and mostly Tunisians, favor the game. There were 366 vehicles that never left the country in 1991, and another 200 or so in 1992.

How can this traffic be curbed when the transient comes to the customs station with all the papers required by law? Nothing, for the moment, and customs officers will remain just as powerless in dealing with travelers at Beni-Ounif and elsewhere as long as regulations contain loopholes. "The struggle against smuggling in all its forms is first of all a question of effective laws. More than material and defense means, customs need an effective legal arsenal." It is the only weapon, the only remedy that can get the better of the smuggling virus....

BAHRAIN

Amir Appoints Consultative Council Members

93P40081A London AL-HAYAH in Arabic 28 Dec 92 pp 1, 4

[Text] Manama, AL-HAYAH—Amir of Bahrain Shaykh 'Isa Bin-Salman Al Khalifah issued three decrees yesterday appointing the members of the Consultative Council. Transportation Minister Ibrahim Muhammad Hasan Humaydan was appointed as president of the council, and he invited the council members to meet for sessions between 16 January and 31 May 1993.

The amir is expected to open the first session of the council and give a political speech on that occasion. He also will appoint a new transportation minister.

Informed sources told AL-HAYAH that the council members are all well-known personalities and represent various sectors of society such as former representatives, professionals, businessmen, religious figures, representatives of labor committees, physicians, and journalists.

Information Minister Tariq al-Mu'ayyad expects "great cooperation between the council and government and excellent results for the country, especially because a person like the minister of transportation, who heads the council, is known as an expert in government operations as a result of his work in a variety of positions over a period of 20 years. This gives the council the know-how on government operations and serves as an incentive for government officials to act in good faith."

There are 30 council members: Ibrahim Muhammad Hasan Humaydan, Shaykh Ibrahim Bin-al-Shaykh Muhammad Bin-al-Shaykh 'Abd-al-Latif al-Mahmud, Ahmad Salman Kamal, Ahmad Mansur al-'Ali, Taqi Muhammad al-Baharinah, Jasim Muhammad Ibrahim al-Saffar, Jasim Muhammad Bin-Yusuf Fakhru, Jalal

Muhammad Yusuf Jalal, Jamal Muhammad Fakhru, Hamid al-Haj Muhammad al-'Arid, Khalifah Ahmad al-Bin'ali, Khalifah Ahmad Khalifah al-Zahrani, Rashid 'Abd-al-Rahman al-Ziyani, Dr. Shuqi Muhammad Salih al-Dalal, Shaykh 'Abd-al-Husayn al-Shaykh Khalaf al-'Asfur, 'Abd-al-Nabi 'Abdallah al-Shu'lih, 'Abdallah Bin-Ahmad Bin-Hindi, 'Alawi al-Sayyid Makki al-Shirkhat, 'Ali Salih 'Abdallah al-Salih, 'Ali-Bin-Muhammad Bin-Jabir al-Muslim, Dr. 'Ali Muhammad Ahmad Matar, 'Abd-al-Ghaffar 'Abd-al-Husayn 'Abdallah, Faruq Yusuf Khalil al-Mu'ayyad, Fawzi Ahmad 'Ali Kanu, Dr. Faysal Sa'id al-Zirih, Muhammad Hasan al-Sayyid 'Ali Kamal-al-Din, Muhammad Hasan Khalil Dawwani, Muhammad 'Abdallah Muhammad al-Muttawa', Muhammad 'Abdallah al-Mana'i, Muhammad Bin-'Abdallah Mulla Hirmas.

EGYPT

Commentary: Bosnian Conflict 'in U.S. Interest'

93AF0346A Cairo EGYPTIAN MAIL in English 6 Dec 92 p 3

[Article by Samir Ragab: "Saving the Day for the Hapless Bosnians"; quotation marks as published]

[Text] The Western stand on the Bosnia question is downright regrettable. Prime Minister John Major of Britain has flatly objected to dispatching British troops to Bosnia for fear of danger. Earlier, the NATO failed to adopt a positive measure in order to put an end to the horrors to which the Bosnians are being exposed.

It is evidently in the interest of Europe, and the U.S. to keep the flames unabated so that more will be killed, and the largest possible numbers of women be raped. If this is not the case, their troops would have moved promptly to set things right and deter the aggressors as happened in many other places. The examples are quite known.

So, the sole hope lies in the Bosnians undertaking the task of defending themselves. Still, this requires enormous funds and weaponry. The question is who can undertake this uphill task? No doubt, there are a lot of suggestions and goodwill. But what usually counts much is to do what is said.

The Islamic countries, mostly wealthy, are required to embark on the relevant executive steps. In my view, providing enough funds is what counts much. Acquisition of weapons will be then so easy, whatever the efforts that may be exerted by the Western countries to block the export of arms. For the arms dealers in these countries themselves make their services readily available. The proof is that the military support has not ceased despite the Security Council's ban!

Mr. Hamed el-Ghabed, the secretary-general of the Organisation of Islamic Conference [OIC], said a lot at a press conference he gave in Jeddah; but much of it hard to implement. I was only impressed by his call that every

Muslim donates one dollar to help his fellow brothers in Bosnia, particularly as there are well-to-do Muslims who can donate several million dollars without having their accounts affected.

We support the call made by the OIC secretary-general and hope it will be swiftly responded to, instead of keeping lamenting our lot to no avail!

Egypt Seen as Filling 'Gap' Left by Clinton

93AF0346B Cairo *AL-AHRAM WEEKLY* in English 2
Dec 92 p 6

[Article by Mohamed Sid-Ahmed: "Can Egypt Fill the Gap?"; quotation marks as published]

[Text] Mohamed Sid-Ahmed believes that President-elect Clinton's administration will not be giving the ME [Middle East] peace process the same order of priority it enjoyed under the administration of his predecessor. This is not necessarily bad news, as the vacancy created by the withdrawal of the U.S. can provide Egypt with the opportunity to play a more vigorous role in the process, he argues.

Israeli prime minister Yitzhak Rabin made a point of visiting Cairo right after taking office, even before forming his cabinet, in stark contrast to his predecessor, who did not visit the Egyptian capital once throughout his term in office.

From the start, Rabin realised he could not afford to antagonise Washington the way Shamir had done, and that improving U.S.-Israeli relations had to be his government's first priority. At the same time, he wanted to signal to all the parties concerned that he was determined to activate the peace process. Hence his precipitate visit to Cairo, where his exchange of views with Egypt's president symbolised his commitment to peace, indeed, his intention to negotiate directly with the Arab leaders involved, specifically president Assad and King Hussein.

It has for long been assumed that the Middle East peace process could only operate effectually under the supervision of the United States, in as much as it was the global power with ties to all the protagonists, and that the American role precluded a role for any regional party, even one with the status of Egypt, which also enjoys ties with all the protagonists.

This assumption no longer holds true. The Clinton Administration is not expected to give the peace process the same priority it enjoyed under the Bush Administration. Bill Clinton was elected to give America's domestic problems, especially the economy, top priority. It follows that the degree of attention he will give to foreign policy issues will be determined by domestic considerations, that is, by whether investing in a given area of foreign policy will yield returns on the internal front, rather than by any intrinsic importance the issue may have. It also means that Egypt, as the only regional power having

relations with all the protagonists, will be required to fill the vacuum left when the U.S. shifts its attention from the peace process.

The Islamic upsurge in many Arab countries bordering on the Mediterranean is a phenomenon that is linked, somehow or other, to the deep sense of frustration felt by wide sections of Arab society at the way their destinies are being manipulated within the framework of the 'new world order.' As they see it, the time has come to apply another frame of reference by which they can preserve their dignity and identity, and which will set them apart from those they perceive as responsible for their manipulation, namely, the West and Israel. The feeling of the masses that they are not masters of their own fate has created a 'vacuum' that must be filled. If the peace process fails to offer them any hope, they will inevitably fill it by reasserting their identity through expressions of protest, including radical Islam.

In the previous stage, the U.S. insisted that it alone was qualified to manage the peace process, and that its success in convening the Madrid conference and in forcing all the parties to attend—despite strong resistance on the part of many, including Shamir—proved that it was more than up to the task. And so the entire peace process was taken over by America, with neither the U.N. nor the European Community allowed to play an effective role. But with the Clinton Administration expected to turn its attention to the domestic front, U.S. involvement in the peace process is bound to decrease. Can Egypt step in to fill the vacancy?

The peace arrangement that is perceived by the Arabs as responding to Israel's requirements at the expense of their interests and security is a non-starter. A peace seen as benefitting Israel alone can only fuel the feelings of frustration and alienation at heart of the radical rejectionist movements in the region. Egypt is the only regional party which can come forward with a concept of peace that places the interests of the Middle East region as a whole over those of any given party in the region, including Israel. Egypt's strategic interests dictate that peace should be balanced, that it should satisfy the conditions for a 'historical compromise' in which there is neither victor nor vanquished. To that end, the peace process should be guided by the mechanisms now being put in place by the European Community to make any future war between member states impossible.

The project for European unity can be jeopardised if the peoples of Europe come to perceive unity as a mechanism by which Germany will "absorb" the rest of Europe, in a sort of updated version of Hitler's dream to impose German hegemony over the continent. This perception is in direct opposition to that on which the dream of European unity is based: the absorption of Germany into Europe in a manner that will finally and irrevocably put an end to military confrontations.

This is very similar to the underlying logic of the project for peace in the Middle East, which entails devising the

mechanisms by which Israel can be absorbed into the region, rather than impose its hegemony over it. While Egypt cannot fulfill this task on its own, it can certainly play a central role in a collective effort in that direction.

Here the experience of the European Community can serve as a guideline, specifically, the measures it has already taken, and those it will have to take in future, to ensure that the interests of the Community as a whole pass before those of each individual member state. Actually, the Community has every interest in seeing the model it has put forward to deter any future war in Europe adopted by neighbouring regions. It would certainly not want to see the Middle East conflict remain an uncomfortable reminder that certain conflicts are so intractable as to defy all efforts to resolve them, and that, even when 'solutions' are found, there is always the possibility they will break down, given the difficulty of trying to establish a peace without any losers.

Egypt's emergence as a more vigorous player in the peace process should be accompanied by a more vigorous role for the U.N. Certainly the fact that an Egyptian now heads the international organisation should work in favour of this kind of concurrence. Dr. Boutros-Ghali boycotted some sessions of the multilaterals because he felt the U.N. had been marginalised in the peace process and deprived of its due role in resolving the conflict. In the final analysis, it is U.N. resolutions which serve as the frame of reference for the entire peace process, and to belittle the United Nations is to belittle the authority of its resolutions.

Rabin Described as 'Parroting' Shamir

93AF0346C Cairo AL-AHRAM WEEKLY in English
2 Dec 92 p 14

[Article by Mohamed Salmawy: "Entre Nous"; quotation marks as published]

[Text] Every part of the world has its own species of animals and its own flora, which differ from those of other areas according to climatic and geographical conditions.

The pigeons in Trafalgar Square in the midst of London's winter fog are quite different animals from colourful humming-birds of the tropics, say.

Israel can boast another kind of bird again. This one exists nowhere else in the world. The Israeli dove, unlike those of any other country, can be a fierce and hawkish as a vulture.

After the fall of the last grand hawk, Yitzhak Shamir, there followed another Yitzhak, commonly regarded—by Israeli standards of course—as a grand dove.

For a few months there was rejoicing from Washington to Beirut, from Brussels to Damascus. But this autumn most of the dove feathers have fallen off and a grand hawk has emerged, causing the peace negotiations to

come to an almost complete halt. The platonic honeymoon between Arab and Israeli negotiators has turned quite sour.

The seemingly moderate stands taken by Israel after the fall of Shamir have gradually evaporated into thin air, and the government of Yitzhak Rabin is now parroting all the old positions of the previous government.

There will be no total withdrawal from the Arab territories occupied in the 1967 war. Occupied Arab Jerusalem is not subject to negotiations, even though it was never part of Israel. The U.N. partition plan of 1947 which brought the Jewish state into existence did not include Arab Jerusalem—nor, for that matter, did it include much of the land which is now part of what is known as Israel proper.

During his recent visit to Cairo, Israeli Foreign Minister Shimon Peres (another dove/hawk) told the Egyptian intellectuals he met that he would have nothing to do with Palestinian leader Yasser Arafat and that Jewish settlements in the occupied territories had been stopped by his government for internal considerations and not in response to Arab or international demands.

Just this week Minister of Police Moshe Shahal told reporters as he came out from the Israeli cabinet's weekly meeting that the possibility of Jerusalem being part of any Palestinian state is completely non-negotiable. So was the Palestinian state itself.

By the time winter sets in, whatever dove feathers now remaining will probably have fallen and we would have stopped talking about Israeli doves. This endangered species will have become extinct.

Petroleum Minister Explains Pricing Policy

93AF0309A Cairo AKHIR SA'AH in Arabic 30 Dec 92
pp 8-9

[Interview with Egyptian Minister of Petroleum and Mineral Resources Hamdi al-Banbi by Suhayr al-Husayni: "No Thought of Increasing Gas and Gasoline Prices Now; place and date not given]

[Text] Attention is now being directed to the oil sector as a main source of increased national income to defray the balance of payments' shortfall. The questions that arise now are: What is the reason behind the constant reduction of our oil agreements with world oil exploration companies? What are the reasons for the constant decrease in prices? Why concentrate on exploring for oil in offshore areas, despite the fact that land areas represent 90 percent of Egypt's surface, yet yield no more than 25 percent of Egyptian production? Is that caused by inadequate exploration? Furthermore, why hasn't exploration for minerals been given sufficient attention, despite the presence of much wealth under Egypt's soil, which could reap vast profits for Egypt? Concerning these questions, we met with Dr. Hamdi al-Banbi, the

minister of petroleum and mineral resources. The interview included a discussion of the project, which is now being adopted by the Ministry of Petroleum and Mineral Resources, to use natural gas as a fuel for vehicles, instead of gasoline, despite the fact that Egypt's gas reserves are sufficient for no more than 15 years.

Al-Banbi frankly stated that we must develop our contacts with international exploration companies and give them more concessions, as is now happening in all countries. He said that the experiment to use natural gas as a fuel for vehicles is aimed at protecting the environment from pollution because of auto exhausts and that the cost of using gas in vehicles is half the cost of gasoline. The use of gas as a fuel only consumes one-half of 1 percent of the volume of our production and, therefore, will not affect Egypt's natural gas reserves at all.

The interview with al-Banbi, the minister of petroleum and mineral resources, began with a discussion of the experiment that the ministry is conducting to use natural gas as a fuel for vehicles instead of gasoline and gas oil and the questions that arise from this matter, such as: Will Egypt's natural gas reserves—which are sufficient for no more than 15 years—sustain this new usage, especially because Egypt has begun to use a large part of natural gas reserves to generate electricity and for major industrial projects? What are the reasons for this direction?

[Al-Banbi] It is well known that Egypt is increasingly burdened with environmental pollution. There is no question that the exhaust fumes of public transport buses is one of the causes of this pollution, which results from the use of gasoline and gas oil. We have found that the solution is to use an alternative, less health-threatening fuel, bearing in mind that we are able to produce this alternative locally.

We are now producing gasoline locally and a portion of the gas oil, with the rest being imported. Natural gas is locally produced, and the amount required for fuel for vehicles is a very small amount, not exceeding .5 percent of our production. Therefore, we can always continue to use natural gas as a fuel.

The same thing applies to gas used in homes, which represents 1 percent of our production. Therefore, the use of natural gas as a fuel within homes scarcely affects Egypt's reserves of natural gas, in light of the fact that present amounts of natural gas reserves do not take into account new discoveries that may emerge in the future.

However, the volume of natural gas consumed by generating electricity, which amounts to 60 percent of the volume produced, probably does affect natural gas reserves in Egypt, as well as gas used in other industries that consume a considerable percentage of natural gas, such as petrochemicals, fertilizers, iron and steel, and cement.

New Natural Gas Discoveries

[Al-Husayni] What are the possibilities of new natural gas fields being discovered in Egypt in the coming years?

[Al-Banbi] It is expected that new quantities of natural gas will be discovered in Egypt, especially since work has begun in areas where it is more to discover natural gas discovery than oil. These areas include the Western Desert, the Delta, and the Mediterranean. All of these areas have been proposed, and we hope that the international companies will approach us to work in these areas, particularly because the direction we should take is to concentrate on those agreements that will encourage investors to develop these fields.

Now that we have stipulated natural gas reserves development in the oil agreements, we will begin to put new measures in the forthcoming agreements. We will work to develop these agreements in terms of dealing with gas when it is discovered, in order to encourage companies to develop this gas.

At the same time, and for the first time, we have begun to open this field to the Egyptian private sector. There are now Egyptian private sector companies exploring for gases in the Delta area. All of this indicates that there is considerable hope for the future in terms of discovering quantities of natural gas in Egypt. Certainly, natural gas is the fuel of civilization, because natural gas's burning process is a complete burning process and, consequently, very harmful exhausts are not produced from it, as is the case in using gasoline and gas oil.

Natural Gas as Fuel for Vehicles

[Al-Husayni] Will the test of using natural gas as a fuel be limited to public transportation vehicles, or will it be possible to broaden the experiment to include private vehicles?

[Al-Banbi] We have begun with public transportation vehicles because they cause considerable pollution to the environment, particularly because they use gas oil. Moreover, the use of natural gas as a fuel only for public transportation vehicles will not force us to operate a large number of stations. We can operate only two stations in Cairo, one of them in the heart of the city and the other on the outskirts, especially since public transportation vehicles operate throughout Cairo.

However, if we expand the use of natural gas as a fuel to include private automobiles, we will be forced to expand the number of stations. This would be difficult to do now, because the natural gas network is not that well distributed. On the contrary, it is still limited to Cairo. For example, we cannot operate natural gas stations in Alexandria or Asyut or the other governorates because no natural gas networks exist there. Perhaps we can do that in the future. Therefore, if private car owners wish to use natural gas as a fuel, that would be possible, but only in Cairo.

[Al-Husayni] Will using natural gas as a fuel for vehicles require having special equipment in those vehicles?

[Al-Banbi] Certainly, parts of the vehicle's motor will be changed. Also, an area will have to be added to hold the natural gas cylinders.

[Al-Husayni] Will the vehicles that use natural gas as a fuel be unsuitable for gasoline after being equipped?

[Al-Banbi] It will be possible for the vehicle to use natural gas or gasoline, but that would require making certain equipment preparations in the vehicle.

Half the Cost for Gas

[Al-Husayni] In economic terms, will using natural gas as a fuel be cheaper than using gasoline or vice versa?

[Al-Banbi] Without going into details, the cost of using natural gas as a fuel is much less than using gasoline and might actually be half as much. However, the vehicle that uses natural gas as a fuel will have to assume some additional costs to convert it from gasoline to gas.

[Al-Husayni] What is the cost of equipping the vehicle to use natural gas instead of gasoline?

[Al-Banbi] With regard to public transportation vehicles, the cost will be economical, because they transport large numbers, which might easily cover the costs. However, so far we have not begun to equip public transport vehicles and, therefore, we have not as yet set the cost. However, in countries that have preceded us in this experiment, the costs were in the neighborhood of \$2,000 for a private car and \$4,000 for a public transportation vehicle. There is a tendency to reach agreements with specialized international companies to convert public transport vehicles from gas oil to gas.

[Al-Husayni] Do the initial indicators of the experiment in Egypt point to success? When will we begin to use natural gas as a fuel in public transport vehicles?

[Al-Banbi] We began to implement this experiment two weeks ago, although the studies took a full year. We are confident that the experiment will be a success but, so far, the test is still limited to oil sector vehicles. We will not begin to apply it to public transport vehicles for another six months. At the same time, we have now begun to contact international companies to obtain their cooperation with regard to preparing public transport vehicles. This experiment is still new to Egypt; we must seek help at the outset from specialists in this field.

Natural Gas and Unplanned Areas

[Al-Husayni] You announced that introducing natural gas into all homes in Cairo would be completed in a year. When will that be done, especially since complaints about problems with the gas pipeline still continue?

[Al-Banbi] In fact, we are operating within the material resources available to the ministry. These resources will permit us to introduce natural gas into 700,000 new

apartments in Cairo by the end of the current five-year plan. We must make one thing clear at this point: It is difficult to bring natural gas to all Cairo homes. There are places that will never allow it.

[Al-Husayni] Why?

[Al-Banbi] For example, the unplanned areas in Cairo are broken down and have no maps. How can gas be brought to them?

[Al-Husayni] Will natural gas be brought into new cities and the suburbs of Cairo, to which many residents of the unplanned areas moved after the earthquake?

[Al-Banbi] Certainly, we can introduce natural gas into all new cities when we have the material resources. The project of bringing natural gas to homes will cost huge amounts. We will have to obtain many loans to establish natural gas networks, loans from the International Bank and European banks.

It is well known that the citizens will bear a small share of the costs of bringing gas to their homes. The remaining expenses will be borne by the government, and that will be a lot of money. The government will share in the project according to its economic circumstances.

[Al-Husayni] Was the idea that the Egyptian citizen would pay for a large share of the costs through his monthly gas bills? Citizens are already complaining about the rising costs of these bills.

[Al-Banbi] The complaints about the increased costs of gas bills stem from the fact that the Egyptian citizen does not follow the rules regarding gas consumption. When the consumer adheres to sound principles with regard to regulating the use of gas, his costs will be modest. I, personally, am anxious to regulate consumption of gas and electricity in my home.

[Al-Husayni] Is there any truth to the rumors that gas prices will be increased at the beginning of the new year?

[Al-Banbi] There are no current studies to increase prices of natural gas, but we must note that we are in the process of economic reform, through which the prices of certain products and services will be raised, so that the country will be able to pay off its debts. Nevertheless, the government is trying to stay away from raising the prices of petroleum products. We have raised the price of gasoline, but not the price of natural gas or butane.

Why Is Price of Oil Falling?

[Al-Husayni] Recently, the price of oil has fallen significantly, from \$21 to \$14. What is the reason behind this?

[Al-Banbi] I agree with you that the price of oil has decreased significantly, but not to that extent. It is at \$18. The reason behind this lies in certain rumors that are circulating in the oil market. Oil is located in developing nations, but rumors affect it. It is assumed—

scientifically and practically—that prices are fixed and stable because there is a balance between supply and demand in this market. However, certain rumors being circulated have negatively affected these prices, and they dropped.

[Al-Husayni] What are the rumors that led to the decrease oil prices?

[Al-Banbi] For example, there were rumors that certain countries would produce larger amounts of oil than their present share. Consequently, the quantities of oil being offered would increase. Countries that buy oil must buy for their strategic reserves of oil. If there were an increased supply, they would purchase small amounts while waiting for the price to drop. When demand for supply is less, actual decline in prices occurs.

[Al-Husayni] But at the recent OPEC conference, it was announced that certain countries had, in fact, exceeded their agreed-upon production volumes. This was not mere rumor. This leads to a question about OPEC's position regarding this problem. Are there definite measures that will be taken to deal with this and to curb the continuing decline of oil prices?

[Al-Banbi] Egypt is outside of the OPEC group. We cannot confirm what has been said. It is well known that some of the world's oil-producing countries are in OPEC, and others are not members. I think that OPEC should be able to control member nations although, now, this control is no more than words on paper, which is the reverse of the past situation.

There will be an OPEC meeting in April 1993 in Oman to agree upon definite measures to create a balance in the oil market between supply and demand.

[Al-Husayni] There are those who ask why Egypt has not as yet achieved any oil discoveries in the Western Desert, despite the fact that it lies on the same line from which Libya extracts oil in huge quantities?

[Al-Banbi] This line of which you speak is a surface line. Oil is at a depth of 13,000 or 14,000 feet underground. This does not mean that we will not find oil in the Western Desert, but it is not necessarily true that because Libya found oil in this area, we will also find it. Let's take Saudi Arabia, for example. Its oil is also only in the eastern area. With regard to oil discoveries, the important thing is the geologic composition underground. Syria has also found oil, but there is no oil in Lebanon, Jordan, or Palestine, all of which are on the same line.

[Al-Husayni] But it is generally observed that Egypt's oil discoveries are mostly offshore discoveries. Despite the fact that 90 percent of the surface area in Egypt is land, land oil discoveries do not exceed one-quarter, with three-quarters of them offshore. Are there reasons for this, or is there a negligence about exploring the desert?

[Al-Banbi] Land areas are vast, and most of them are trackless desert. Its geological formation is complex. This causes the international companies to direct their

explorations and studies toward places that are easier and cheaper to access. The fact is that formations at sea, especially in the Gulf of Suez area, are better than other formations.

This area has seen a big jump in exploration, in addition to the fact that the water area in which the search is conducted is small. Consequently, the exploration processes cost less when compared with the money required for explorations in the desert, where the area is vast and requires that it first be cleared of mines and that huge installations be built to facilitate the exploration processes. This reinforces a need for Egypt to evolve with the world by granting preferential conditions to international companies to encourage them to search and explore in the desert.

Decrease in Exploration Operations

[Al-Husayni] In addition, why have the number of oil agreements and applications to explore in Egypt declined recently?

[Al-Banbi] Without question, the number of those filing exploration applications is a great deal less than it was in the past. The reason is that the major world companies are now looking toward countries that have reserves and will give them more preferential terms for exploration than Egypt gives to foreign investors.

We are prepared to grant preferential terms, but what are the terms that are required? In order to determine that, we will submit studies and international bids to learn what the world now wants in order to stimulate exploratory operations. Keep in mind that officials in Egypt are prepared to go along with these new international terms because adherence to old conditions means that the shortfall in oil agreements will continue.

[Al-Husayni] Isn't the Egyptian minister of petroleum and mineral resources the official responsible for these oil agreements?

[Al-Banbi] I am responsible on the ministerial level, but after the conditions are drafted, they must be reviewed by the People's Assembly committees so that they can study and debate these agreements. It is possible that these committees will reject the new terms.

I say that because I gave them a clear picture. We must accept the international changes going on around us. Nevertheless, seven agreements were approved in 1992, and there were eight agreements last year that have similar terms, which will be signed. After that, we must give bigger concessions so that we will be in step with the rest of the countries that have oil reserves.

[Al-Husayni] The Central Accounting Agency has stressed that Egypt's oil reserves are adequate for 11 years and that present production will continue for 20 years. Are these figures correct, especially because they contradict what you announced at the oil conference, to the effect that production is constantly increasing?

[Al-Banbi] I was speaking on the basis of reality. For example, Egypt's oil reserves are sufficient for 11 years, if we cease explorations and begin production by using our reserves. This would, in fact, deplete these reserves. However, if we open new areas for exploration and develop discoveries, the size of reserves will increase. It is possible to limit our production to the new discoveries and, thereby, keep the reserves intact and fixed. Therefore, we should know that the reserves are a dynamic number that is difficult to define. It depends on several pivotal points.

[Al-Husayni] What are these points?

[Al-Banbi] There are three pivotal points that affect the volume of oil reserves:

- Whatever new discoveries we add to them;
- Development of fields that have been discovered;
- Use of modern technology in production and exploration.

Therefore, it is difficult to determine a precise number for reserves. Nevertheless, we now have reserves of approximately 6 billion barrels of oil and natural gas. It is assumed that we will maintain this figure as a constant or add to it. I think that the results announced by the Central Accounting Agency came from dividing the reserves of 6 billion barrels by the volume of annual production. This is an imprecise and unrealistic calculation.

Stagnation of Mineral Wealth Sector

[Al-Husayni] What is the volume of Egypt's oil production this year?

[Al-Banbi] Egypt produces 420 million barrels annually, part of which we consume. The rest is exported.

[Al-Husayni] What is Egypt's export profit from oil this year?

[Al-Banbi] It was \$2.027 billion, i.e., more than the \$2 billion value of our exports in 1991-92.

[Al-Husayni] There is no doubt that the oil sector is successful. It could be one of the ways for the country to grow, since it makes a profit. Why hasn't the mineral resources sector, under your leadership, achieved the same success, despite the vast treasures under the ground, such as phosphate, potassium, coal, marble, etc?

[Al-Banbi] In the mineral resources sector, we are cooperating with the Public Geological Board. We are making very considerable efforts, and no less than the efforts made in the oil sector, to achieve the desired success in mineral discoveries. However, international circumstances with regard to mines, and mineral resources, in particular, are in a state of stagnation because prices of raw materials that are extracted from the mines are depressed. Consequently, the international mining companies are not making their hoped-for profit. We have taken a new direction to attract international exploration

companies, by means of a new law that we have submitted to the People's Assembly. It is the Law of Mines, Quarries, and Salt Mines. Under this law, we invite the Egyptian private sector to enter the field of exploring for Egypt's mineral wealth, by investing small amounts of capital and, consequently, earning rewarding and acceptable profits. The board will always give the necessary maps to the private sector and guide them to places to explore.

[Al-Husayni] Was it not presumed that this law would be enacted last year to stimulate the mining sector in Egypt?

[Al-Banbi] Yes, it was assumed that this law would be passed last year, but in view of circumstances and other developments, we introduced some amendments to it so that it would be suitable for private sector applications. The purpose of this law is not only to earn profit, but also to:

- Develop mineral resources, especially because exploratory operations are not necessarily rewarding for major international companies;
- Employ manual labor, especially because the nature of mining and quarrying requires the use of considerable manual labor. We would be obliged to give the technical expertise for this work to the private sector. This is the ministry's thrust in the coming stage.

Al-Qatamiyah Factory Is Fine

[Al-Husayni] Faruq al-Baz has stated that there are large amounts of oil still to be found on Egyptian territory and that considerable efforts are needed to discover that oil. What is the extent of truth to that?

[Al-Banbi] I assume that I should say that what he says is correct, because he is without hope that we will do anything. In addition, I have complete confidence in al-Baz's knowledge, although I think that he meant the Western Desert itself. In the near future, we shall concentrate on this area and hope for the best.

[Al-Husayni] What is the truth about newspaper accounts concerning a report that the land upon which the gas packing plant in al-Qatamiyah is built has sunk 3 meters? That factory cost millions of Egyptian pounds.

[Al-Banbi] This report is not at all true and is completely contradicts reality. What happened was that, as part of a project to extend and install cables to connect electrical grounding protection for spherical oil tanks, drilling operations were carried out to a depth of 3 meters to implement the installation. The hole collapsed, and the wooden scaffold, which was located over it, fell on one of the workers. The hole then filled with dirt. The workers were rescued by other al-Qatamiyah factory workers. An investigation determined that the contractor's workers had not taken the technical measures required to make the drilling safe, in accordance with procedures followed in this regard.

IRAQ

Reconciliation With Kuwait 'Likely'

93P50050A London AL-MAJALLAH in Arabic 6 Jan 93
p 13

[Editorial by 'Abd-al-Rahman al-Rashid, editor in chief]

[Text] Is it possible to turn back the clock on the Iraqi issue, to forget the crisis between Baghdad and Kuwait, for the Persian Gulf countries to embrace the Iraqi regime, and to play the Iraqi national anthem while receiving its chief?

In politics, anything is possible. After a harsh propaganda war between King Faysal and 'Abd-al-Nasir during the 1960's, the king embraced 'Abd-al-Nasir and rushed to the Egyptian side in the 1967 war, cut oil off from the Western countries, and did not resume pumping until Cairo agreed. Other great Arab disputes ended in this fashion—such as the reconciliation between Morocco and Algeria, despite their bloody confrontation in the Western Sahara; reconciliation between Jordan and PLO, after the bloodshed between them that ended with King Husayn and Yasir 'Arafat sitting down to dinner together in Amman. In Beirut, various parties fight during the daytime and mingle in the evening without shame or embarrassment. And let us not forget the greatest of examples in the history of the region, that is, meetings between Israelis and Arabs, despite 40 years of refusal by Israel to recognize Palestinians and their being the all-time worst enemy of the Arabs.

Can we imagine a repeat of this phenomenon, this time between Baghdad and the Persian Gulf countries?

To start with, ample historical precedence points to the possibility of reconciliation. But we should not ignore the fact that this is not a normal case. What the Iraqis did to another nation was unprecedented in 20th century Arab history. Iraq inflicted devastation on a scale not seen since World War II. The hostility between the two sides is great, and it would be ignorant of us to consider the Kuwaiti episode as just another inter-Arab war. But despite this, a reconciliation does not necessarily require hugging and kissing. In practice, joint activities already exist at meetings of the Arab League and its committees.

The fact is that events are moving toward Iraqi interests without its intervention. For example, Iraq is a counterweight against Iran in the Persian Gulf, and Iran is acting in a way that pushes its traditional enemy, Iraq, closer to the Persian Gulf countries. Also, the Iraqi opposition has not offered an acceptable model that could meet the fundamental condition set forth by the Gulf countries and others, such as Jordan, Syria, and Turkey. This condition is that, despite the need for change in Iraq, the country's territorial integrity must be guaranteed. All of these countries, including Kuwait, fundamentally reject the division of Iraq.

Iraqi opposition groups have failed to agree on the above condition and are not prepared to unite. The Gulf countries are dissatisfied with Iraq, but are not politically ignorant to the point of throwing Iraq into political chaos, which could lead to a civil war similar to Somalia's after the fall of Siad Barre, or the one in Bosnia-Herzegovina after the breakup of Yugoslavia.

In addition Iraq has revamped its foreign policy. There is a special report that Nizar Hamdun, the Iraqi ambassador in Washington [as published] and a highly prominent Iraqi diplomat, secretly met some of Bill Clinton's advisers a few days before the U.S. election. In that meeting, Iraq asked to open a new chapter in relations with Washington and the new president. The Iraqi delegation asked Clinton's advisers for important concessions, such as granting Iraq the right to produce oil, and in return allowing the United States to have military facilities in Iraq for 25 years. These offers greatly interested the United States, and since they were found to be serious and sincere, the United States has moved to interact with the present Iraqi regime. Politics rise and fall with such reconciliations, and Iraq cannot afford to threaten anyone in the future.

This does not mean that Iraq's neighbors will rush to reestablish relations with Iraq, and until now, there have been no strong incentives to do so. Also, despite its harsh pronouncements, Iran cannot afford to do anything major because of security agreements between Persian Gulf and Western countries. These agreements are sensible, in view of Iranian threats. Iran is the only country with harmful claws. The other reason that makes reconciliation with the regime in Baghdad premature is that Baghdad has not shown good intentions during the past two years. The war led to Iraq's surrender and an agreement, which Iraq has been slow to implement. And each time it delayed implementation, it paid a heavy price. Iraq greatly erred by holding hundreds of Kuwaiti prisoners who were taken from the streets of Kuwait during the occupation. The continuation of this situation has led to increased hostility. Kuwait is more inclined to reconciliation than other countries because it is concerned about this matter and was the victim to begin with. If Iraq intends to return to the political arena, the diplomatic path goes through Kuwait. If Iraq wishes to restore peace, it should stop acting like a wolf and free its rhetoric from provocation against its neighbors. Its war with them has ended, and it should now turn to help Kirkuk rather than occupy Kuwait.

New Attacks on Southern Marshes Alleged

93AE0289B London AL-SHARQ AL-AWSAT in Arabic
2 Jan 93 p 6

[Article: "Iraqi Opposition Speaks of Artillery Shelling of South"]

[Text] London—Iraqi opposition sources in London have said that on 23 and 24 December 1992 the Iraqi

regime's long-range artillery violently shelled vast areas of the marshes of al-'Amarah Governorate.

They added that the shelling included the villages of al-'Aqar, (al-Jadi), Abu-'Ashrah, al-Sayqal and al-Suhayn, causing damage to property and loss of lives. The sources said that entire families were buried under debris and that dozens of people were killed and wounded as a result of the artillery shelling, which forced many people to flee under the cover of darkness to other areas deeper inside the marshes.

Opposition sources also said that bad weather conditions, low temperatures, and rainfall in the area had caused the death of three children, asserting that the condition of other children has become very grave.

The Iraqi regime continues to drain the marshes. In the past few days, the regime lowered the high water levels in the Euphrates and the Tigris, which have risen as a result of rains, by diverting their water to subsidiary rivers. This has led to inundating vast areas of arable land in al-Mashrah and Kahla' subdistricts and Qal'at Salih District (within the jurisdiction of al-'Amarah Governorate). Rice fields and vegetable farms in these areas have been completely destroyed. Moreover, water has cut off dozens of villages and killed large numbers of livestock.

The governor of al-'Imarah has issued strict instructions to inhabitants of the villages within the jurisdiction of al-Mashrah, al-Majar, and Qal'at Salih to leave them, stressing that the regime's engineering units will continue their work to build dirt dams and barriers around the marshes to stop excess water from flowing into them.

A report says that al-'Adl Subdistrict has been completely submerged under floodwater and that most of its inhabitants have begun to leave. Dozens of other towns and village are threatened by floodwaters, and the regime has taken no steps to stop the floods or to help the inhabitants.

Security Committees Said To Carry Out Purges

93AE0287A London AL-HAYAH in Arabic 23 Dec 92
p 13

[Text] A new decision issued by the Iraqi Supreme Revolution Command Council that was issued yesterday could be considered a model for the disregard of the totalitarian regime to anything related to the law and human rights.

The council decided to form civil security groups from the members of the governing Ba'th Party and to grant them great authority to conduct night patrols to combat crime. This decision could be understood as a reflection of the deterioration of peace and order in the country to such an extent that the Iraqi authorities are not capable of dealing with it, bearing in mind that they are unique as far as their diversification and membership, which is estimated to be in the tens of thousands. The Iraqi president himself suggested the formation of these teams

after the members of the Ba'th Party complained that the police are no longer able to combat crime.

What is worse is that the Command Council, which is the highest governing body in Iraq, exempts the members of these teams from any legal consequences related to their actions, which may include murder. The council gives the members of these teams not only the right to kill thieves, but also the right to kill Army deserters and anybody who threatens the peace. This could indicate that combating crime is a pretext to launch a campaign of oppression against those suspected of not supporting the regime. In addition to legitimizing murder, the government will pay the members of the teams 50 dinars per night, which is considered a significant amount, compared with the governmental salary, which does not exceed 300 dinars a month.

In fact, this brutal and horrid procedure represents a part of the Ba'th culture that was described in the biography of a former prominent party leader that was published by AL-HAYAH this week. The party leader mentioned that the founder of the party, Michel 'Aflaq, wrote in one of his articles that combating destructive elements is not restricted to arguing with them, but may necessitate liquidating these elements.

As a practical application of this idea, the Revolution Command Council, after seizing power in a bloody coup on 8 February 1963, issued its famous 13th communique. This communique allowed the members of the National Guard to liquidate the enemies of the revolution whether they were communists or otherwise and absolved the guards of any legal responsibilities that resulted from their actions.

The only difference between the two decisions is that the first one gave the right to kill all day long, while the second one limits the right to murder to nighttime.

Release of Non-Kuwaiti Prisoners Rejected

93AE0287B London AL-HAYAH in Arabic 9 Jan 93 p 3

[Text] Mubarak al-Duwaylah, chairman of the Kuwaiti National Assembly's Committee on Prisoners of War, said that Iraqi officials in Baghdad told Ambassador Rashid Idriss, special envoy of the secretary general of the Arab League, that Kuwait is not entitled to receive the prisoners of war who are non-Kuwaiti or without a specified nationality.

In a statement to AL-SHARQ AL-AWSAT, he said that Iraq wants to isolate Kuwait and prevent it from seeking the return of citizens from other states in order to deprive it of international attention or sympathy.

He mentioned that the Iraqi regime is trying to belittle the importance of the prisoner of war issue and its discussion in the Arab League in order to convince the United Nations that there is no need for the Red Cross to

interfere, especially after there has been cooperation with the Arab League's efforts.

Iraq acknowledges that it has 24 prisoners of war despite the fact that Ambassador Idriss submitted a list that included the names of 650 Kuwaitis, 51 individuals without a specified nationality, and 61 individuals of other nationalities. He added that the Iraqi authorities mentioned that there are 16 prisoners of war who refuse to return to Kuwait and that the committee has their names.

He said that Kuwait insists on the return of all of the prisoners of war. He expressed satisfaction with the results of Idriss's visit.

JORDAN

Al-Dajani Denies Allegations in BNL Case

93AE0237B London AL-HAYAH in Arabic 5 Jan 93
p 11

[Article by Ra'uf Qubaysi]

[Text] Businessman Wafa'i al-Dajani, who is being investigated by the federal authorities about his role in the scandal involving loans to Iraq from the Banca Nazionale del Lavoro [BNL] branch in Georgia, declared that involving his name in this case is a "Zionist plot."

In a telephone interview that AL-HAYAH conducted with him in Amman, he said that "the case of the loans to Iraq through BNL has been fabricated." Al-Dajani ridiculed articles charging that he had switched a U.S. grain shipment to Russia to a shipment of tanks to Iraq. He said: "The American and Iraqi Governments had an arrangement under which Washington supplied Iraq with grain shipments. My role was simply to transport these shipments."

The American press had mentioned that al-Dajani had obtained millions of dollars in profits by working as a middleman in American export deals to Iraq. He was also accused of having worked as a middleman between the BNL branch in Atlanta, and Iraq, "to the extent that he was giving Christopher Drogoul, the former branch manager, an annual salary of \$50,000."

In his conversation with AL-HAYAH, al-Dajani did not deny that he had been giving Drogoul this salary. However, he considered Drogoul to be a victim of a scandal initiated by the Israeli Mosad in cooperation with the FBI. He also asserted that he had not acted as a middleman. Furthermore, he denied allegations in some American official communiques that he used U.S. Department of Agriculture credit facilities to finance the arms deal to Iraq.

The American press indicated that the American investigators were reviewing all allegations against Wafa'i al-Dajani, including the "multifaceted" role that he played in the case of the BNL loans to Iraq, the fact that he had been "a middleman for all of the parties," and

that he, as the investigators in the Georgia attorney general's office indicated, knew about the illegal loans that Drogoul had made to Iraq.

Al-Dajani said that he warned the investigators that he had all of the documents and that there was nothing in any of them that could condemn him. However, he indicated to AL-HAYAH that he would not travel to the United States to appear in court and, if the investigators wanted any response from him, they should contact him in his country, Jordan.

Al-Dajani said that he had been neither condemned nor sentenced, nor even accused, and that he had not hired a defense lawyer to take his case. He said that this matter had been blown out of proportion and that the story about his using credit facilities and loans to buy arms for Iraq was false. Henry Gonzales, the Democratic Congressman from Texas and head of the U.S. House of Representatives Banking Committee, said that he doubted that al-Dajani had switched the American grain shipment to a tank shipment to Iraq.

Paul (Fidel), an assistant to Drogoul, said in one of the defense hearings that one of al-Dajani's connections had been with the CIA. Al-Dajani, however, denied having any connections with "that agency." He also said that many of the stories were "fabricated."

The prosecutors noted that al-Dajani's role was significant and could not be ignored. However, documents indicated that "his role was that of an accomplice, not a defendant, in the conspiracy." Although he was one of the defendants in the charges brought against Drogoul and others, his name was removed from the list of defendants when the State Department sent a memorandum to the Attorney General's Office on 1 February 1991, indicating that "because Wafa'i al-Dajani's brother, Raja'i al-Dajani, had been the head of the Jordanian Intelligence Agency, Wafa'i's trial could be considered a punishment against Jordan for its support of Iraq during the Gulf crisis."

All the same, the Jordanian businessman, who is 56 years old and originally from Jerusalem, asserted that he knew about this memorandum, but he did not want to comment on it because he did not know the reason it was sent or how it was sent. He only mentioned that much of what had been published "was press jargon incited by both the Israeli intelligence agency and the Zionist agencies in the United States, who made use of lying journalists such as William Safire, who published anti-Arab articles in the HERALD TRIBUNE." Al-Dajani called upon God to place his curse on this journalist.

Al-Dajani said that many foreign journalists had contacted him, but he did not speak to them because "they are biased."

Al-Dajani said that the role of the American Jewish lobby should not be underestimated. He added that this lobby had focused on James Baker (former secretary of

state) because Baker had asked President Bush to stop granting export guarantees to Israel. Al-Dajani said that he had been named in the case only because he was an Arab, and "any offense against an Arab is always welcomed." He said: "I am not guilty, and if any condemnation is found, let them prove it."

Al-Dajani indicated that Drogoul, who is now in prison, was the victim of a "Mosad and FBI conspiracy." He also praised Drogoul and described him as a distinguished banker.

Al-Dajani also indicated that Mosad had wronged Drogoul when it indicated to the FBI that the Georgia BNL branch was carrying out illegal transactions, which prompted the FBI to launch raids against the bank, and which was followed by biased articles and allegations by the Western media.

Al-Dajani said that he was innocent and that there was no federal document that could convict him. He said he is not wanted for investigation in the United States. "If I had committed a crime or broken the law, I would have been indicted a long time ago." He further indicated that the Mosad had encouraged the FBI to take on this case as though something drastic had happened, with the result being that investigators no longer knew how to close it. He said that "this case is baseless and like a deflated balloon."

Although al-Dajani denied that he had ever worked as a middleman between the Iraqi Government and BNL, he admitted that Drogoul was his friend. He said: "I knew him through work. He sent me the transfers that the Iraqi Government owed me for the grain shipments that I used to transport to Iraq."

Stock Market Issues Report for 1992

93AE0237A London AL-SHARQ AL-AWSAT in Arabic
6 Jan 93 p 12

[Text] Umayya Tuqan, general manager of the Amman Financial Market, said that stock transactions in both the regular and parallel markets registered record figures last year. He indicated that the gross volume of transactions in the secondary market during 1992 was 909,618,296 dinars, compared with 320,414,608 dinars in 1991, which is an increase of 183.9 percent.

In a press conference yesterday, Tuqan said that a short analysis of the market components revealed—considering available data—that the trading value in stocks in the regular and parallel markets during 1992 amounted to 886,950,988 dinars, compared with 302,836,729 dinars in 1991, or a difference of 584,114,259 dinars, representing a 192.9 percent increase. The market performance last year could be viewed through three major indicators, the first of which is related to the volume of transactions. This volume in both the regular and parallel markets registered record figures.

Tuqan attributed this huge increase in stock trading to the distinguished performance of the Jordanian

economy during the past year and the effects of this performance on various activities. These activities included those of the joint stock companies and the Amman Financial Market. Some economic sectors also realized record growth rates, which Tuqan attributed to various factors, including financial and monetary policies, the political stability in Jordan, and the large volume of savings of Jordanians returning from Kuwait and the Arab Gulf states, which were invested in the stock exchange market. All of these factors impacted positively on the market performance.

Tuqan said that the second indicator that had been apparent during the past year was the increase of about 29.9 percent in the value of stocks, which represented a high return compared with other investment alternatives. He also stated that from an economic standpoint, it was natural that a portion of this return was spent on consumer goods, which in turn was reflected in an increase in economic activity. Tuqan said that the third indicator was the stock issuing market, which was very active during the year. The value of stocks issued amounted to 54.7 million dinars, representing an increase of 154.9 percent over 1991.

Tuqan indicated that the market's average daily trading volume in 1992 increased by 192.9 percent and had a value of 3.6 million dinars, compared with 1.2 million dinars in 1991. He also said that 350,650,927 shares were issued during 1992, compared with 161,777,199 in 1991, which represents an increase of 188,873,728 shares, or 116.7 percent. Tuqan mentioned that the daily trading average last year amounted to 1,425,410, compared with 657,631 in 1991, which represents an increase of 116.7 percent.

Tuqan said that the number of transactions completed on the market floor last year was 339,756, compared with 183,426 in 1991, or 156,330 more transactions, representing an increase of 85.2 percent. The average number of transactions during the year was 1,381 per day, compared with 746 in 1991.

Tuqan stated that the gross value of the various bonds traded in 1992 was 4,716,726 dinars, compared with 1,448,874 dinars in 1991, which represents an increase of 2,867,852 dinars, or 197.9 percent. The number of bonds issued was 406,617 in 1992, compared with 119,924 in 1991, which represents an increase of 286,693 bonds, or 239.1 percent. He mentioned that share prices reached record figures. The closing quotation for 1992 was 129.9 points, compared with 100 points for 1991, for an increase of 29.9 percent. This increase has accrued out of the combined increase in the value of shares in different sectors. The increase in the value of shares in the services, manufacturing, insurance and banks, and financial companies sectors amounted to 61.3, 45.2, 44.0 and 15.6 points, or a percentage increase of 61.3, 45.2, 44.0 and 15.6, respectively.

Tuqan indicated that during 1992, six public joint stock companies were established with a total capital of 31.5 million dinars, compared with four in 1991 with a total capital of 13 million dinars, representing a growth rate of 142.3 percent. In the course of the last year, seven existing public joint stock companies increased their capital by 23,218,932 dinars by issuing of 8,639,644 shares, which shows an increase of 174 percent in the values of shares issued compared with 1991, when five companies increased their capital by 8,467,568 dinars by issuing 5,617,568 shares. He said that the total sum of primary market issues for 1992 amounted to 60,718,932 dinars, compared with 59,467,568 dinars in 1991, for an increase of 2 percent.

Tuqan said that regarding the demand side of primary market operations, which is measured by the trend to buy shares and bonds issued for public subscription, all shares and bonds had been sold during the past year.

Municipalities Law Amendments Submitted to House

93AE0243A Amman AL-DUSTUR in Arabic 17 Dec 92
p 4

[Article: "Amendment to Municipalities Law Submitted to Parliament"]

[Text] A bill that would amend the 1992 Municipalities Act was submitted to parliament by the government. The following are the most important amendments to the law and the reasons that made them necessary.

Article 3: Article 4 of the original law shall be superseded by the following text:

Article 4:

1. For the purpose of implementing the provisions of this law, municipalities shall be classified into one of the following categories:

- First: municipalities for the capitals of governorates.
- Second: municipalities for the capitals of districts and municipalities with more than 30,000 residents.
- Third: municipalities for the capitals of subdistricts and counties and municipalities with more than 5,000 residents but not more than 30,000 residents.
- Fourth: other municipalities where the number of residents is not more than 5,000 persons.

2. For the purpose of classifying municipalities as set forth in Paragraph 1 of this article, the following measures shall be taken four months before the date of municipal elections.

- A. The governor shall form one or more committees, each of which shall consist of no less than three members, to conduct a census of the town's residents. They shall prepare lists containing the names of those residents to whom the residency rules spelled out in this law apply. These lists, signed by committee members, are to be submitted to the governor within

a 15-day period from the date the committees were formed.

- B. Within seven days of receiving said lists, the governor shall place them on display in a visible place in the municipality for a period of 10 days.
- C. Anyone whose name was wrongfully omitted from said list may request its addition, and anyone whose name is listed may object to the inclusion of the names of those who do not meet residency requirements and the exclusion of the names of those who do. Said objection, which is exempted from revenue stamps, shall be made in writing and shall be submitted to the committee while the lists are on display.
- D. The committee shall issue its decision on said objection within a period of time that shall not exceed seven days from the day said objection was presented to the committee. The committee's decision shall be placed on display in a visible place in the municipality for a period of three days, and the lists shall be amended accordingly, if an amendment is required by the committee's decision.
- E. The committee shall submit the list and the amendments to the governor. The list will become effective on the date it is approved and signed by the governor.
- F. The governor shall submit the final list to the minister, who will use it to determine the proper classification for the municipality. Said classification shall remain in effect throughout the legal term of the municipal council's session even if the governor's term should come to an end for one reason or another.

4. All municipal councils, except for that of Greater Amman, become defunct as of the date set by the Council of Ministers, based on the minister's classification of municipalities, for the election of new municipal councils to replace those that became defunct. These elections shall be held on one day whose date shall be determined by the Council of Ministers and published in AL-JARIDAH AL-RASMIYAH [The Official Gazette]. Based on the minister's classification of municipalities, the Council of Ministers shall form committees to conduct the affairs of these municipalities and carry out the measures for the election of new municipal councils during the period when the municipal councils are defunct.

Article 4: Article 5 of the original law shall be amended as follows:

First, Paragraph 1 of said article shall be superseded by the following text:

1. If a majority of a town's residents wish to establish a municipality in their town, or if they wish to have an existing municipality annex another one, a group of those residents shall submit a petition to the governor, who shall forward it to the minister with his comments.

Second, Paragraph 2 of said article shall be superseded by the following text:

2. If the minister receives a request for the establishment of a municipality in any town, he shall appoint a committee, whose members shall include at least two of that town's residents who are not civil servants, to ascertain the wishes of the town's residents. If the committee determines that a majority of the town's residents wish to have a municipality in their town, the decision to establish said municipality shall be made by the Council of Ministers. After that decision is made, the minister, after consulting the minister of finance, shall determine how many people shall serve on that municipal council as well as that council's area [of jurisdiction]. The minister's decision shall become effective on the date it is published in AL-JARIDAH AL-RASMIYAH [The Official Gazette].

Third, the following Paragraph 5 shall be added to the text of said article:

5. Notwithstanding the stipulations of this or any other act: [and]

A. Taking into account the provisions of Paragraph 5 of Article 6 of this act, the Council of Ministers, acting on the basis of the minister's classification of municipalities and the governor's recommendation, may issue a decree enlarging, shrinking, or altering the boundaries of any town or rural council; annexing any municipalities, rural councils, residential communities, or neighboring parts thereof to each other or setting them apart in a fixed configuration; and establishing for said annexed or separated municipalities a municipality as defined by the laws which are in effect. Acting on the basis of the tally taken by the director of the Central Department of Urban and Rural Organization, the minister will define the area of the newly established municipality and notify the minister of finance of his decision. That decision shall be published in AL-JARIDAH AL-RASMIYAH [The Official Gazette].

B. Any municipality that is newly established in accordance with Section A of this paragraph shall be named by decree to be issued by the minister and shall be subject to the provisions of the laws which are applied to municipalities.

C. The category of a municipality, newly established in accordance with Section A of this paragraph, shall be determined by the minister in accordance with the classification set forth in Paragraph 1 of Article 4 of this Act. The minister shall appoint for said newly established municipality a committee, chaired by one of its members, that shall serve as an acting municipal council for a period that shall not exceed one year. A new municipal council shall be elected during that period in accordance with the provisions of this Act, and said committee shall hold its meetings in accordance with the provisions of this Act.

Article 5: The text of Paragraph 3 of Article 23 of the original law shall be superseded by the following version:

3. Elections for the chairman and the members of the municipal council shall be held simultaneously on two separate ballots. Voters would proceed to polling centers on election day, and their names would be checked off on voters' rolls after their identity is verified. Voters would then be given two ballots, signed by the chairman of the polling committee, on which they would write the names of the persons they choose to vote for as council chairman and council members. Voters would then fold both paper ballots so that the names written on them are hidden but their signatures on the back are visible. They would then place the folded paper ballots in the polling box in view of those present.

Article 6: The text of Paragraphs 2 and 3 of Article 35 of the original law shall be superseded by the following:

2. When the vice chairman performs the functions of the chairman when the latter's position becomes vacant for any reason whatsoever or when the chairman is absent for more than one week due to illness, vacation, or official business outside the kingdom, he shall be compensated for the entire period he served during the chairman's absence or when the chairman's position was vacant. In addition to his travel expenses, the vice chairman shall receive said compensation, which shall be equal to the chairman's salary and allowances, from the municipality's treasury.

Article 7: The text of Article 29 of the original law shall be superseded by the following text:

Article 39:

1. If the position of municipal council chairman, except that for the municipal council of Amman, becomes vacant for any reason whatsoever, the vice chairman of the council shall succeed the chairman, if he is qualified to serve in that position. If no such person is available to fill that position or if that should prove impossible for any reason whatsoever, the municipal council shall elect one of its members, who is qualified to fill the chairman's vacant position, to serve as chairman of the council. Said person's term as chairman, acquired in accordance with the provisions of this paragraph, shall expire at the same time the term of the council expires.

2. If a seat on the municipal council becomes vacant because its occupant lost his seat as a result of a court ruling, resignation, death, loss of membership, or because that council member assumed the position of council chairman in accordance with the provisions of Paragraph A of this article, that vacancy shall be filled by that candidate who had received the largest number of votes after the person who vacated the seat, if that candidate is still qualified to serve on the council. If he is not, the vacancy is to be filled by the candidate who had received the second largest number of votes in the election. If no such candidate can be found to fill the vacancy in accordance with the provisions of this paragraph, the minister shall appoint a qualified voter to fill the vacant council seat. Such council membership,

acquired in accordance with the provisions of this paragraph shall expire when the term of the council, during which said appointment was made, expires.

Article 8: The text of Paragraph 8 of Article 40 of the original law shall be superseded by the following text:

8. The decisions made by a municipal council shall be unanimous, or they shall represent the opinion of the majority of the members who are present. In case of a tie, the chairman shall cast the deciding vote.

Article 9: Paragraph (H) of Article 4 of the original law shall be amended by subjoining the following text to said paragraph:

"Based on the governor's tally, the minister may dissolve the Joint Council of Services, or he may annex to said council or exclude from it any municipality, rural council, or village. The business, rights, and obligations of the Joint Council on Services shall be settled upon the dissolution of said council, in accordance with instructions issued by the minister."

Article 10: Article 49 of the original law shall be amended by subjoining the following sentence to said article: "The Council of Ministers may amend the fees and apportionments which become due in accordance with this article by means of rules it shall issue for that purpose."

Reasons Why an Amended Municipal Bill Is Necessary

Municipal Act Number 29 for 1955 was promulgated on 1 May 1955. Over the past three decades, as a result of the cultural awakening, economic development, and progress which has been achieved in all fields, especially the service fields, appropriate amendments were made to the law to address this fast-paced and growing change in which municipalities in particular must become directly involved. Given that premise, a conference of mayors was held on 18 January 1992 at which this bill was reviewed and discussed by the conferees, who agreed unanimously to recommend sending the bill to the competent agencies for ratification. This bill includes the following:

1. That Paragraph 1 of Article 3 of the Municipalities Act be amended by deleting the following text which comes at the end of the paragraph: "Based on the municipal council's recommendation and the administrative officer's tally, the minister may change, enlarge, or shrink the boundaries of a municipality. He shall report his decision to the minister of finance, and said decision becomes effective on the date it is published in AL-JARIDAH AL-RASMIYAH [The Official Gazette]." Said text is to be deleted because this provision, stipulated in Section A of Paragraph 5 of Article 4 of this bill, stated that the Council of Ministers, based on the minister's tally and the governor's recommendation, may act to enlarge, shrink, or change the boundaries of any municipality. (Article 2 of the bill)

2. That municipalities be divided into four categories, based on the location of a municipality's administrative

center, so that all municipalities thus set up have the size and financial resources which enable them to deliver services within their boundaries efficiently and economically; carry out comprehensive planning and organization; realize the principle of fairness in distributing services to citizens; and make the municipal council administratively efficient so it can carry out its responsibilities. Dividing the municipalities into categories also makes it possible for the competent authorities to allocate to the municipalities the financial proceeds from taxes levied on buildings and land as well as the proceeds from road fees, customs fees on goods, and fuel fees. This division into categories makes it possible for the municipalities to define their relationship with the central authority. It makes it possible for the central authority to oversee these municipalities, and in doing so the principle of administrative decentralization is achieved. (Article 3 of the bill)

3. That municipalities, rural councils, residential communities, or parts thereof which are adjacent to each other are to be annexed to each other, and small, local units which are adjacent to each other are to be combined into one local unit so that the weakness of these units can be overcome and their revenues increased as a result of increasing the number of their residents and upgrading their classification. These municipalities can thus increase their due share of fees, taxes, and returns from their own areas, and that enables them to offer more and better services. Consequently, local, urban, and rural areas can grow and develop. (Article 4 of the bill)

4. That a mayor is elected on a special ballot, and members of the municipal council are elected on another special ballot so that municipal councils can be made up by means of free, direct elections. Residents of a municipality can thereby have popular representation for themselves since members of a municipal council would be elected directly and democratically. Electing a mayor on a special ballot would also make the mayor independent, allowing him to operate freely, take neutral positions, and make impartial decisions. (Article 5 of the bill)

5. The bill provided that the vice chairman of the municipal council receive compensation equal to the chairman's salary and allowances for the entire period during which he served as acting chairman during the chairman's absence or when the chairman's position was vacant, and that he be reimbursed for his travel expenses. The bill also provided that the chairman, the members, and the secretary of the municipal council receive compensation of one to five dinars for each council session they attend, depending on the resources of the municipality and its classification. (Article 6 of the bill)

6. The bill dealt with the matter of filling the chairman's position. If the chairman's position becomes vacant, his position shall be filled by the vice chairman. If that is not

possible, the council shall elect one of its members to serve as chairman until the end of the council's term. (Article 7 of the bill)

7. To make implementation of the municipal council's decisions possible, the bill gave the mayor the deciding vote when there is a tie on a matter that is to be decided by the council. (Article 8 of the bill)

8. The bill spelled out the procedures and the methods which are to be followed to dissolve the Joint Council for Services. It spelled out the procedures for annexing or excluding any municipality, rural council, or village, and it spelled out procedures for settling the business, rights, and obligations of the Joint Council of Services when that council is dissolved. The bill thus closed a gap in the law. (Article 9 of the bill)

9. Because municipalities are struggling with a financial deficit that is due to the meager revenues they receive compared to the obligations with which they have been charged and the functions that have been entrusted to them, namely, managing all local facilities within their own areas as well as providing and administering all local services in those areas, the Council of Ministers was given the authority to issue a decree modifying customs fees so that the municipalities' revenues can be increased. Increasing the municipalities' revenues would enable them to meet these obligations and carry out those functions as required. (Article 10 of the bill)

KUWAIT

AL-QABAS Revelations About Military Discussed
93AE0261B London AL-SHARQ AL-AWSAT in Arabic
28 Dec 92 p 4

[Text] The Kuwaiti State Security Court decided to postpone looking into the Ministry of Defense's case against AL-QABAS Editor in Chief Muhammad al-Saqr and journalist Khudayr al-'Anzi until mid-January, after questioning al-Saqr and al-'Anzi yesterday morning, in order to hear a statement from the Kuwaiti military attache who was in Iraq before the invasion.

Al-Saqr said in his statement that the information al-'Anzi obtained contained no secrets of any kind. He said he came to this conclusion from the contact journalist Jasim Ashkanani had with Air Force Colonel Ya'qub al-Husayni, director of moral guidance at the Defense Ministry, who did not clearly state that the information was secret and could not be published. The information did not contain the term "secret." The court met under the chairmanship of counselor Salah al-Fahd, with Judge Salim al-Khudayr and Muhammad Abu-Tulayb al-Mutayri as members. 'Ubayd al-'Ajami represented the state security prosecution.

Al-Saqr denied the charge of "divulging military secrets" relating to Kuwaiti Army formations. He said AL-QABAS was not the only Kuwaiti paper to publish these

reports. AL-SIYASAH had published similar information, and HUMAT AL-WATAN magazine published interviews with some army commanders and pictures of these individuals, which is even more serious than what AL-QABAS published.

The editor in chief of AL-QABAS, who, in order to appear in court, returned to Kuwait after heart surgery in the United States, said that publishing the names of officers and their units was not intended to divulge Kuwaiti Army secrets. He added: "If we had any ill intentions, we would not have contacted the Moral Guidance Department."

It is worth noting that the Ministry of Information brought several cases against AL-QABAS, accusing it of publishing articles that were critical of a number of state officials, but publishing military information is considered a state security violation, despite the fact that the Defense Ministry allowed interviews with Kuwaiti commanders to be published in Kuwaiti papers.

The court summoned the Defense Ministry witnesses. It heard a statement by Colonel Muhammad (al-'Affasi), chairman of the Military Judiciary Authority. He said: "Publishing this information is considered to be one of the jurisdictions of the defense minister. The chief of staff cannot authorize its release."

He said that AL-QABAS's publishing of details of Kuwaiti Army deployments was detrimental to the military units because the enemy benefited from this information. Publishing such matters was banned, particularly because special efforts were made to form these units. As a consequence of publishing this information, the Defense Minister's decision to implement these measures was delayed, something that also cost money.

When asked how AL-QABAS obtain this information, even though it was secret, the chairman of the Military Judiciary Authority at the Defense Ministry said to the court: "I have no way of knowing how AL-QABAS obtained these resolutions. The ministry was dealing with them in total secrecy."

No charges have been brought against anyone in the Defense Ministry for leaking this information.

The court also questioned Air Force Colonel Ya'qub al-Husayni, director of moral guidance. He said that AL-QABAS contacted him, but he stressed that he advised against publishing such information and said that publishing it would be harmful to the Kuwaiti Army.

The court then questioned the state security officer, who stressed that the defendants did not harbor any ill intentions. He did affirm, however, that the information "could be useful to both friends and foes."

Yesterday's was the second State Security Court session to look into the case of publishing information on military formations. Khudayr al-'Anzi, the second defendant, refused to disclose to the court chairman the source

from which he obtained the information, despite the court's insistence that he should. He was content to say: "My professional integrity does not allow me to reveal my sources."

Assembly Committee on Weapons Purchase From U.S.

93AE0262A London A-HAYAH in Arabic 7 Jan 93 p 4

[Article by Hamad al-Jasir: "Reservations On Defense Allocations"]

[Text] Washington—Kuwaiti Defense Minister Shaykh 'Ali al-Sabah Thursday will meet with members of the National Assembly Finance Committee. He will hear their views on strengthening Kuwaiti defensive power and on the arms deal with the United States, which announced two days ago that it intends to sell Kuwait advanced tanks and other military hardware worth \$4.5 billion.

Dr. Isma'il al-Shatti, chairman of the Kuwaiti National Assembly Finance Committee, told AL-HAYAH that the inclination among the majority of the committee members is not to endorse the decree on allocations for strengthening Kuwaiti defense power, which total 3.5 billion dinars.

He said that the committee will recommend that the National Assembly not release these allocations "unless clear changes are carried out in the ranks of the existing military leadership who have failed in their duty during the military defeat that Kuwait suffered in August 1990, as well as some of the administrative leaders in the Defense Ministry who were responsible for defense spending during the period preceding the invasion." He added: "The Finance Committee asked Defense Minister Shaykh 'Ali al-Sabah to explain Kuwait's military readiness to face present dangers. The committee asked him to attend the meeting of the Assembly's Defense Committee, but he made no response. He was willing to discuss with the committee only the defense allocations that his ministry had demanded."

Regarding the U.S. Administration's notification to Congress of its intention to sell \$4.5 billion worth of tanks and military equipment to Kuwait and the connection between this and the approval of allocations, al-Shatti said: "All of the articles of military spending will be subject to discussion once the Assembly is reassured that a reliable military leadership will be handling these vast amounts." He added: "The U.S. ambassador to Kuwait, Edward Gnehm, discussed the question of Kuwait's need for military spending with me a few days ago. I told him that we in the National Assembly are making every effort to strengthen security and military power, materially and morally, but we have reservations about the individuals who are handling the defense allocations."

In Washington, REUTERS said that the Defense Department announced the day before yesterday that it

intends to sell to Kuwait battle tanks of the Abrams M-1 A-2 type and other equipment worth \$4.5 billion. The major part of the deal will be allocated for the purchase of 256 attack tanks produced by General Dynamics. Last year, Kuwait chose this tank in the midst of strong competition between it and the British Challenger-2 tank. The Defense Department said it has referred the deal to Congress, which will have to approve it.

The Pentagon announced that the deal involves 256 tanks of the Abrams M-1 A-2, 46 M-88 tank transport vehicles, 52 M-577 command vehicles, 125 M-113 armored personnel carriers, 30 M-1064 mortar guns transport vehicles, 1,178 machine guns, 967 digital radio systems, 132 M-998 troops transport vehicles, 460 vehicles for heavy equipment transportation, 130,000 120 mm tank shells, and ammunition for light weapons.

In other events, Crown Prince and Prime Minister Shaykh Sa'd al-'Abdallah al-Sabah has accepted the resignation of Minister of State for Cabinet Affairs and Second Deputy Prime Minister Dari 'Abdallah al-'Uthman, which he submitted a few days ago.

The cabinet spokesman announced yesterday that Shaykh Sa'd told the ministers about al-'Uthman's letter of resignation in which he explained that "his health conditions prevent him from continuing his ministerial work." Shaykh Sa'd informed the Assembly that he has accepted the resignation and thanked al-'Uthman for his efforts in serving the government and the country. Shaykh Sa'd then read a decree appointing 'Abd-al-'Aziz 'Abdallah al-Dakhil as al-'Uthman's successor. Al-Dakhil occupied was the head of the bureau of complaints, which is attached to the prime minister's office. His appointment is the first reshuffle of the present Kuwaiti cabinet, which was formed last October.

LEBANON

Biographic, Political, Other Data on Cabinet Members

Biographic Sketches of al-Hariri Cabinet

93AE0327A Beirut L'ORIENT-LE JOUR in French 2 Nov 92 p 3

[Unattributed article]

[Excerpts]

Rafiq al-Hariri: Prime Minister and Finance Minister (Sunni)

Born in 1944, in Sidon (al-Janub [South Lebanon]); at age 22, he interrupted his studies at the Arab University in Beirut to try his luck in Saudi Arabia. He first worked as primary school teacher, then as accountant in a construction company; in the early seventies, he founded a subcontracting company in the construction sector. He earned the confidence of Crown Prince Fahd after subcontracting for the construction of a palace in Ta'if.

Within a few years, he became the leading entrepreneur of Saudi Arabia. In 1979, he created Oger International. He owns several banks. In addition, the Hariri Foundation has granted over 20,000 scholarships to Lebanese students. He was decorated several times, in Lebanon and abroad. A group of his associates sponsors the downtown rebuilding project.

Michel al-Murr: Vice Prime Minister (Greek Orthodox)

Born in 1931 in Btghrin (al-Matn al-Shamali), he received his engineering diploma from St. Joseph University. He is chief executive officer of several companies. Elected deputy of al-Matn al-Shamali in 1992, he was minister several times, in particular in the latest cabinets, during President al-Harawi's mandate. He was also vice prime minister. He is married to Sylvie Abu-Jawdah and has three children. [passage omitted]

Marwan Hamadah: Minister of Health and Social Affairs (Druze)

Born in 1939, he is the son of former ambassador Muhammad Ali Hamadah. He has a degree in law and economics from St. Joseph University. As a journalist, he worked for the daily LE JOUR and became subeditor before becoming chief editor of L'ORIENT-LE JOUR. He is a member of several boards of directors, in particular that of the Sibling Cement Works, the Press Cooperative Association, and AL-NAHAR; he was minister several times and was elected deputy of al-Shuf. [passage omitted]

Walid Junblatt: Minister of State for Refugee Affairs (Druze)

Born in 1947 in Beirut, he is the son of Kamal Junblatt, whom he succeeded at the head of the Progressive Socialist Party [PSP]. Head of the National Movement since 1980, he was elected deputy of al-Shuf in 1992. He was minister several times. Married to Nura Sharabati, he has three children.

Muhsin Dallul: Minister of National Defense (Shiite)

Born in 1932 in Ali al-Nahri (al-Biq'a), he went to school in Zahlah and obtained a degree in psychology at the Beirut Faculty of Oriental Arts. A journalist and teacher, he was long ago a member of the PSP command council. He is a member of the Press Union and the Higher Shiite Council. Elected deputy of Zahlah in 1992, he was minister twice during President al-Harawi's mandate. He is married to Siham Kanan and has three children.

Abdallah al-Amin: Minister of Labor (Shiite)

Born in 1946 in Sow'an [possibly al-Sawwanah] (al-Janub), he earned a degree in Arabic literature at the Arab University. A journalist and teacher, he was elected member of the (pro-Syrian) Ba'th party leadership in 1975. After being the party's assistant general secretary, he became general secretary. Elected deputy of al-Janub in 1992, he was minister twice during President al-Harawi's mandate. He is married and has three children.

Faris Buwayz: Minister of Foreign and Expatriate Affairs (Maronite)

Born in 1955 in Zuq Mkayil (Kisrwan), he has law degrees from St. Joseph University and from France. He started his political career as an adviser to President al-Harawi. Elected deputy of Kisrwan in 1992, he was minister of foreign affairs twice during President al-Harawi's mandate. He is married to Zalfah al-Harawi and has three children.

Ilyas Hubayqah: Minister of State for Social Affairs and the Handicapped (Maronite)

Born in 1956, he joined the Phalangist Party and became Bashir al-Jamayyil's head of security services. In 1985, he ratified the three-party agreement with Messrs. Birri and Junblatt. After an intifadah against the head of the Lebanese Forces, Fu'ad Abi-Nadir, he took over as head of the Lebanese Forces. A second intifadah led by Samir Jaja ousted him and drove him out of the eastern regions. In 1990, he founded the al-Wad party. Elected deputy of Babda in 1992, he was minister twice during President al-Harawi's mandate.

Sulayman Tony Franjiyah: Minister of State for Municipal and Rural Affairs (Maronite)

Born in 1964 in Zgharta, he is the son of Tony Franjiyah and the grandson of Sulayman Franjiyah, the former president of the Republic. He turned the Maradah, his militia, into a social association. Elected deputy of al-Shamal [North Lebanon] in 1992, he was minister twice during President al-Harawi's mandate. Married to Maryam Riyad Sarkis, he has two children.

Shahe Barsoumian: Minister of State (Armenian)

Born in Beirut in 1952, he attended the Lebanese-French lycee and studied law at St. Joseph University. Elected deputy of al-Matn al-Shamali in 1992, he was minister in the last al-Sulh cabinet. Married to Artie Metelian, he has three children.

Michel Samahah: Minister of Information (Greek Catholic)

Born in 1948 at Jouar (al-Matn al-Shamali), he went to Catholic school and then to the Furn al-Shubbak lycee. He has a degree in business administration from St. Joseph University. He has occupied many positions: official of the Phalangist Party and member of the party political bureau, adviser to the president of the Republic, and chief executive officer of Tele-Lebanon.

As a member of several dialogue and mediation committees, he cooperated with UNESCO and took part in various international conferences. Decorated with the French Order of Merit, he was elected deputy of al-Matn al-Shamali in 1992. He was minister once, in the last al-Sulh cabinet. Married to Gladys Michel Aridah, he has three children. [passage omitted]

Adil Qirtas: Minister of Agriculture (Greek Orthodox)

Former official of the United Nations Food and Agriculture Organization (FAO).

Biographies of Newcomers

93AE0322A Beirut AL-NAHAR in Arabic 1 Nov 92 p 15

[Unattributed article: "Identity of New Cabinet Ministers"]

[Excerpt] [Passage omitted]

Rida Wahid: Minister of State for Expatriate Affairs (Shiite)

Born in Tyre in 1920; married to Laure Thierry, a Frenchwoman; has two children, a boy and a girl.

Received his elementary, intermediate, and high-school education at the Marist Brothers (Freres) School in Sidon and Juniyah.

Received his college education at the Montpellier University where he graduated as a physician. He also has a B.A. in literature from St. Joseph University.

Worked as a physician in Tyre.

Was appointed general director of the Ministry of Labor and Social Affairs.

Elected deputy representing Sidon in 1957.

Appointed minister of labor and social affairs twice in 1964 and 1965.

Appointed minister of health in 1966.

Held the post of general director of the National Social Security Fund from 1965 to 1983.

Was a member of the National Dialogue Committee in the days of late Prime Minister Rashid Karami.

He is engaged in numerous social and political activities and has written several books.

Contributed to the National Social Security Fund and introduced several new departments into it.

Michel Iddih: Minister of State for Cultural and Higher Education Affairs (Maronite)

Was born in Beirut in 1928. His father is Salim Iddih and his mother Isabelle Mulhimah.

Married and has five children: Salim, Jean Gabriel, Marun, Ilyas, and Isabelle, wife of Philippe, the son of deputy Pierre Hilu.

He received his education at St. Joseph University in Beirut and got a law degree from the French Law Institute in 1948. He is now chairman of the Veteran Jesuit (University) Alumni.

Entered the government for the first time in [late] Prime Minister Rashid Karami's cabinet (1966-68) as minister of information and PTT [post, telephone, telegraph] during the administration of president Charles Hilu.

Entered the cabinet for a second time as member of Shafiq al-Wazzan's cabinet (15 October 1980) during the administration of the late President Ilyas Sarkis. Held the post of minister of information until the end of president Sarkis' term.

He is the attorney for international firms that stretch to the black continent and Latin America (Congo and Brazil).

Heads the managing board of the French-language L'ORIENT LE JOUR.

Has been awarded several medals, including the Spanish Cross, officer's rank; and the French Order of Merit, officer's rank.

Has written several books and articles and has given a number of lectures on the Palestinian issue, South Lebanon, and Israeli schemes for Lebanon's water. He has also taken part in several conferences.

His hobbies include collecting old Greek coins, of which he has a collection that is well-known internationally. He also collects Japanese Netsuke sculptures and has a well-known collection of these too. But his main hobby is reading and he owns a library that contains hundreds of books. He is especially interested in Judaism, Zionism, Christianity from its early days to the present, the Islamic conquest, the history of Islam, communism, Marxism, Leninism, and, generally, in whatever is connected with economy and money.

He has two sisters: Georgine, the wife of ex-minister Henry Tarabiyah, and Sylphie.

Bahij Tabbarah: Minister of Justice and Administrative Affairs

Born in Beirut in 1929; married to Huda Kyriakos Sa'd and has three children: Two boys and a girl.

Received his elementary, preparatory, and high-school education at the International College, French Section.

Studied law for two years at St. Joseph University in Beirut and then continued his studies in Paris where he got a license and then a Ph.D. in law and a diploma in political and administrative economics in 1954. His thesis was on political forces in Lebanon.

Started his law practice in 1954.

Was appointed minister of economy and commerce in prime minister Amin al-Hafiz' cabinet in 1973.

Studied law at St. Joseph University and the Lebanese University.

He devoted his full time to law and worked as legal adviser to several banks.

He has written on Lebanese law and has conducted legal studies, written articles on law, and given law lectures, some of them at the Lebanese Club.

A member of the Muslim Orphanage Faculty.

His hobbies include reading and tennis.

He decided to suspend his law practice during the period of his service as minister. Moreover, he asked his wife, also an attorney, to suspend her law practice throughout that period.

As'ad Rizq: Minister of Industry and Oil (Greek Catholic)

Born in Beirut in 1931 and married to Colette Lebreton, a Frenchwoman. They have three boys: Tawfiq, Fadi, and Sami.

Received his elementary, preparatory, and high-school education at the Jesuit School and then went to Paris where he studied medicine at Paris University. Graduated in 1954.

Was an accredited professor at the Paris School of Medicine for 12 years.

Returned to Beirut in 1960 where he worked at a hospital owned by his father, Dr. Tawfiq Rizq. At the same time, he taught at the St. Joseph University School of Medicine, beginning in 1964.

Managed the Rizq Hospital.

Appointed minister of education, labor, and social affairs in prime minister al-Huss's cabinet. Also held the posts of acting minister of agriculture and of industry and petroleum.

This cabinet resigned in July 1979 and he returned to the hospital and the school of medicine.

Awarded several medals, including the French Legion of Honor and Italian Medal of Merit.

He has written medical books and articles and has given lectures.

He likes to read and listen to music, especially classical music.

George Afram: Minister of Water and Electricity (Maronite)

Born in 1934 in Harat Sakhr; married to Hayat al-Khazin and they have five children: Three boys and two girls.

Received his elementary, preparatory, and high-school education at the Institut des Aportes in Juniyah. Started working at the age of 15. Studied accounting and business management by correspondence and then attended

several courses abroad, including a course in advanced management at Harvard University in 1973.

In 1965 formed the INDEVCO [expansion not given] Industrial Group, which has spread from Lebanon to Saudi Arabia, the United States, and Brazil.

In the 1970s, he was a founder of the Young Industrialists Association, which included a number of Lebanese industrialists who then became members of the Lebanese Industrialists Association.

In 1982, he was appointed minister of PTT and of industry and petroleum in prime minister Shafiq al-Wazzan's cabinet.

He continued his national and industrial activity and achieved noticeable growth for his industrial group despite the bloody events witnessed by Lebanon. He spent the 17 years of the ordeal in Lebanon and his children graduated from the American University and Beirut University College.

He believes in Lebanon's message and in Lebanon's everlasting presence in the region. This is why he stood fast and invested despite the worsening security conditions.

He is an advocate of promoting the Lebanese pound, which he considers the currency of the (Lebanese in the diaspora). He believes that any weakness afflicting the Lebanese pound is a consequence of political actions in the fiscal sector, especially in the state budget. He also believes that the budget deficit has resulted from the Electricity Corporation and (previously) the Fuel Fund.

A pioneer of the scouting movement in Lebanon.

Mikha'il al-Dahir: Minister of National Education and Fine Arts

Born in al-Qubayyat, 'Akkar, in 1928. Married to Karine Joseph Rizqallah. They have two boys: Mikhayil and Albert.

He received his elementary, preparatory, and high-school education at the Freres School in Tripoli.

Studied law at the St. Joseph University where he got a license in general law in 1955. He got a higher studies degree in private law in 1956 and a higher studies degree in public rights law in 1957. He also got a license in philosophy in 1956 and a diploma in philosophy in 1957.

He ascended gradually in the law offices of the late Hamid Franjiyah and then took charge of this office in 1964 before moving to his own practice.

Was elected deputy for 'Akkar in 1972; headed the Bylaws Committee and then the Finance and Budget Committee for several years.

Was projected as a compromise presidential candidate in 1988, with domestic, regional, and international

agreement. But no presidential election was held and a transitional government was appointed instead.

He likes reading and walking.

'Umar Misqawi: Minister of State for Transport Affairs (Sunni)

Born in Tripoli in 1935, married to Muna 'Abd-al-Ghani al-Ubari. They have three daughters.

Received his elementary and preparatory education in Tripoli's schools.

Acquired a license in law from Cairo University in 1961 and took Islamic shari'ah studies at al-Azhar University in Cairo where he got a specialist's degree in the Islamic shari'ah in 1961.

Has practiced law in Tripoli, al-Shamal (North Lebanon), and Lebanon generally since 1961.

Member of the Supreme Islamic shari'ah Council and an ex-member of the Advisory Council of the Mufti of the Republic.

Chairman of the Islamic High Moral Standards Society.

Member of Tripoli Municipal Council.

General Secretary of the Union of Lebanese Islamic Educational Institutions.

Elected deputy for al-Shamal on 23 August 1992.

Has written books and articles, including a book entitled the *Unity of Civilization*, published by Dar al-Fikr, and a book on the philosophy of philosopher Malik Bil-Nabi.

His hobbies include reading. His preferred sport is walking.

Anwar al-Khalil: Minister of State (Druze)

Born in 1938 in Lagos; married to Layla Zayd al-Atrash. They have four sons.

Has an M.A. in law and a B.A. in law from London University.

Chairman of the Lebanese Cultural Society from 1972-74; engaged in a number of expatriate activities.

Awarded the National Order of the Cedar, commander's rank.

In 1991, appointed deputy to fill the newly introduced seat for the Marj 'Uyun-Hasbayya Districts.

Elected deputy for al-Janub (South Lebanon)—Marj 'Uyun and Hasbayya—on 6 September 1992.

Member of several executive boards and owns a number of domestic and foreign corporations and firms.

Bisharah Mirhij: Minister of Interior (Greek Orthodox)

Born in Beirut in 1946 to Jamil Mirhij and Salma Matar al-Rahbani from al-Shuwayr.

Married to Vali Grouty, a pediatrician. They have two daughters: Lina and Muna.

Studied at the American University of Beirut and graduated in 1967 with a B.A. in economics.

Participated in various social, student, and national activities; worked in the Social Revival Association, and contributed to establishing the Student Struggle Organization.

Studied at al-Faruq ('Umar Ibn al-Khattab) Secondary School in al-Tariq al-Jadidah from 1968-69.

At the same time, he worked in the field of statistics and journalism, edited the student supplement, and contributed to editing and issuing the economic supplement of AL-ANWAR.

Contributed to establishing the National Congress for Aiding the South in 1969 and continued to be a member of its Executive Council until 1975.

Contributed to establishing the [?Participant] Arab Front in 1972.

Held the highest positions in the Arab Socialist Party in 1973.

In 1975, he participated with a number of national and pan-Arab youth in establishing the Alliance of Popular Committees and Leagues.

During the war years, he defended the citizen's safety and the inviolability of property, rejected the logic of sectarian division, and worked with his brothers to preserve the country's unity and democratic life.

He contributed with his brothers to Beirut's steadfastness in the face of the Zionist siege of 1982.

Defended Beirut's dignity and confronted the attempts to fragment it and to distort its cultural character.

Participated in numerous Lebanese and Arab cultural and political conferences and published numerous economic, political, and literary articles and studies.

Member of the American University of Beirut Alumni.

Member of the Unionist Conference and the pan-Arab Action Assembly, Board of Trustees of the United Lebanon Youth Club, and the Committee of Friends of the Rightly Guided Youth Association.

Contributed to founding Friends-of-the-Disabled Association.

Member of the National Arab Congress.

Contributed to setting up AL-MANAR magazine and is a member of its Advisory Board.

Currently holds the position of general director of DAR AL-NADWAH, to whose foundation he has contributed.

The prime minister's adviser for Arab affairs.

'Ali 'Usayran: Minister of State (Shiite)

Born in Sidon on 6 August 1947; married to Sarah Agha Ja'far. They have four boys.

Father is 'Adil 'Usayran, the last of the independence era figures.

Has a degree in political and economic sciences from the University of Maryland, United States.

Elected deputy representing al-Janub—Rural Sidon District—on 6 September 1992.

Hasan 'Ali 'Izz-al-Din: Minister of State for Vocational and Technical Education Affairs (Sunni)

Born in al-Hasniyah ('Akkar) in 1946. Married with two sons: Al-Yasar, 19, and Usamah, 11.

Received his elementary, preparatory, and high-school education at 'Akkar's government schools.

Received his college education at the Lebanese University's School of Arts, majoring in Arab literature.

Joined the SSNP [Syrian Social Nationalist Party] in 1969 and has held the following positions: Broadcasting station director, general executor, central commissioner of al-Shamal (the north), Supreme Council member, member of the Board of Commissioners, and Political Bureau member.

A founder of the 'Akkar Cultural Council.

Writes poetry and has authored several literary and political works and given numerous speeches.

Elected deputy for the Sunni seat in al-Shamal, 'Akkar, on 23 August 1992.

Mahmud Abu-Hamdan: Minister of Housing and Cooperatives (Shiite)

Born in Shturah in 1957; married to Halah Abu-Hamdan. They have two boys: Malik, six, and Jad, two.

Received his elementary and preparatory education in al-Thaqafah [Culture] School in Ta'lbaya and his high-school education in Qubb Ilyas High School and al-Sabbah High School in al-Nabatiyah.

Has a degree in political science from Lebanese University.

Engaged in commerce and then devoted his time fully to Amal, holding several positions in it, of which the latest has been Amal Political Bureau member and official in charge of the movement in al-Biq'a'.

Appointed deputy in 1991 and elected deputy for al-Biq'a' al-Gharbi-Rashayya on 23 August 1992.

Muhammad Ghaziri: Minister of Post and Telecommunications (Sunni)

Born in Beirut in 1926; married to Husn Hamasni. They have two boys and a girl.

Received his high-school education at al-Maqasid where he got his baccalaureate (mathematics), level II, in 1944.

Studied engineering at the Higher Engineering Institute of St. Joseph University graduating in 1948.

Worked at the Ministry of Public Works (electricity and water directorate) where he assisted Engineer Ibrahim 'Abd-al-'Al, who was director of the Ministry of Public Works and whose name was linked to numerous water and electricity projects, including al-Litani, Nahr Ibrahim, and al-Damur projects.

Held the position of director of the joint water and electricity project, [sponsored by] (formerly) Point Four from 1953-56.

Appointed chairman of the Water and Electricity Project Implementation Agency in 1956.

Appointed assistant director of water affairs at the Ministry of Public Works in 1959.

Appointed general director of roads and buildings at the Ministry of Public Works in September 1965. Held this position until February 1974.

Appointed chairman of the Executive Board of the Council for Implementation of Beirut's Major Projects.

Appointed Beirut mayor in September 1992.

Awarded several medals, including the National Order of the Cedars, cavalier's rank, and the French National Order of Merit.

Has written several books and taught at the Lebanese University (Engineering College) and at the Higher Engineering Institute.

Member of several executive boards, including: Government commissioner in al-Litani Authority, executive board member of the National Reconstruction Authority, the Higher Civil Organization Council, and the Committee for the Development and Improvement of Beirut International Airport.

Has participated in several conferences abroad, including: The Arab League Committee of technical experts entrusted to study the Jordan River and its tributaries, the International Road Federation, Arab engineering conferences, and the Arab League Administrative and Financial Studies Conference, held in Rabat in 1974.

Fu'ad al-Sinyurah: Minister of State (Sunni)

Born in Sidon in 1943. Married to Huda 'Abdallah al-Bisat. They have three children: Wa'il, Zaynah, and Mayy.

Received his elementary, preparatory, and secondary education at al-Maqasid Schools and at the Evangelical Secondary School in Sidon.

Received his college education at the American University where he got a B.A. in business administration and then an MBA in 1967.

Started working at City Bank, where he stayed from 1967 to 1972.

Lecturing professor at the American University, the Lebanese University, and the City Bank Training Center until 1975.

Officer in charge of a financing bank specialized in medium and long-term loans from 1972 to 1977.

Chairman of the Banking Control Committee from 1977 to 1982.

Appointed in 1982 officer in charge of the Mediterranean Investment Group, which owns several banks inside and outside Lebanon.

Chairman of the Executive Board of the Mediterranean Bank and of the Saudi-Lebanese Bank.

Deputy chairman of the Board of Trustees of the Hariri Foundation.

Has authored several economic books, studies, and lectures.

Nicholas Fattush: Minister of Tourism (Greek Catholic)

Born in Zahlah, [?Mar Mikhayil Mar Jarjar] quarter, in 1943.

Received his education at the Oriental College in Zahlah.

Licensed in law since 1967.

Higher studies diploma in special law.

Appellate and cassation [court] attorney since 1970.

Zahlah Municipal Council member since 1971.

Legal adviser to a number of banks.

Legal adviser to the Shuwayri and Salvation Sisters, the Zahlah Greek Catholic Bishopric, and the parish foundations.

The founder of more than one cultural and social club in Zahlah.

Professor of labor law at the Jesuit University.

Professor of litigation law at the Jesuit University.

Has written a thesis entitled "Prosecuting the Government Over Accountability of Magistrates."

Has given legal lectures and written studies on the banking code, preemption right, attorneyship, and the criminal code.

Bachelor.

Elected deputy representing his sect, the Greek Catholics, in Zahlah in the latest elections.

Hagoq Yarwan Demerdjian: Minister of Economy and Trade (Armenian)

Born in 1941; married to Viviane Anazia. They have two children.

Received his elementary, preparatory, and high-school education at the Hovagimian-Manukian School.

Received his college studies at the American University and graduated as a civil engineer in 1966.

Has an M.A. in economics from Stanford University, California.

Taught economics at the American University for five years.

Member of the Development and Reconstruction Board.

Member of the Armenian Philanthropic Association.

Salim Muqbil: Minister of State for Environment Affairs (Greek Orthodox)

Born in 1939; married to Joyce James, a British woman. They have five children: Four girls and a boy.

Received his preparatory and high-school education at the Freres and Jesuit schools.

Acquired a degree in civil engineering from the American University in 1963.

Owens Credit Commercial for the Middle East.

Member of the Executive Council of the Chamber of Commerce and Industry.

Muhammad Bassam Murtada: Minister of Public Works and Transport

Magistrate and president of the Appellate Court of Ba'labakk.

Cabinet Composition Examined

93AE0322B Beirut AL-SAFIR in Arabic 2 Nov 92 p 2

[Unattributed article: "List and Status of Cabinet Ministers"]

[Text]

Returning Ministers

- Michel al-Murr
- Marwan Hamadah
- Walid Junblatt

- Muhsin Dallul
- 'Abdallah al-Amin
- Faris Buwayz
- Ilyas Hubayqah
- Sulayman Franjiyah
- Shahe Barsoumian
- Michel Samahah

Former Ministers

- Rida Wahid
- George Afram
- Michel Iddih
- As'ad Rizq
- Bahij Tabbarah

First-Time Ministers

- 'Umar Misqawi
- Anwar al-Khalil
- Rafiq al-Hariri
- Muhammad Ghaziri
- Bisharah Mirhij
- Fu'ad al-Sinyurah
- Nicholas Fattush
- Hasan 'Izz-al-Din
- 'Ali 'Usayran
- Mahmud Abu-Hamdan
- Salim Muqbil
- 'Adil Qirtas
- Muhammad Bassam Murtada
- Hagoq Demirdjian
- Mikha'il al-Dahir

Parliamentary Ministers

- Michel al-Murr
- Marwan Hamadah
- Walid Junblatt
- Muhsin Dallul
- 'Abdallah al-Amin
- Faris Buwayz
- Ilyas Hubayqah
- Sulayman Franjiyah
- Shahe Barsoumian
- Michel Samahah
- Mikha'il al-Dahir
- Umar Misqawi
- Anwar al-Khalil
- Nicholas Fattush
- Bisharah Mirhij
- Hasan 'Izz-al-Din
- 'Ali 'Usayran
- Mahmud Abu-Hamdan

Nonparliamentary Ministers

- Muhammad Ghaziri
- 'Adil Qirtas
- Salim Muqbil
- Hagoq Demirdjian
- Muhammad Bassam Murtada
- Fu'ad Sinyurah

- Rafiq al-Hariri
- Rida Wahid
- Michel Iddih
- Bahij Tabbarah
- As'ad Rizq
- George Afram

Political Ministers

- Walid Junblatt
- Marwan Hamadah
- 'Abdallah al-Amin
- Muhsin Dallul
- Sulayman Franjiyah
- Ilyas Hubayqah
- Michel al-Murr
- Michel Samahah
- Mikha'il Dahir
- Faris Buwayz
- Shahe Barsoumian
- Hasan 'Izz-al-Din
- 'Ali 'Usayran
- Mahmud Abu-Hamdan

Nonpolitical Ministers

- Rafiq al-Hariri
- Rida Wahid
- Bahij Tabbarah
- 'Umar Misqawi
- George Afram
- As'ad Rizq
- Anwar al-Khalil
- Bisharah Mirhij
- Nicholas Fattush
- Muhammad Ghaziri
- 'Adil Qirtas
- Salim Muqbil Hagoq Demirdjian
- Muhammad Bassam Murtada
- Fu'ad Sinyurah
- Michel Iddih

Provincial Distribution of Ministers

Beirut

- Muhammad Ghaziri
- Bahij Tabbarah
- Bisharah Mirhij
- As'ad Rizq
- Shahe Barsoumian

Al-Shamal (North Lebanon)

- 'Umar Misqawi (Tripoli)
- Mikha'il al-Dahir and Hasan 'Izz-al-Din ('Akkar)
- Sulayman Franjiyah (Zgharta)

Al-Janub (South Lebanon)

- Rafiq al-Hariri, Fu'ad al-Sinyurah, and 'Ali 'Usayran (Sidon)
- 'Abdallah al-Amin (Bint Jubayl)
- Rida Wahid (Tyre)

- Anwar al-Khalil (Marj 'Uyun-Hasbayya)

Al-Shuf

- Walid Junblatt, Marwan Hamadah

Kasrawan

- Fariz Buwayz, George Afram

Al-Matn

- Michel al-Murr, Michel Samahah

Al-Biq'a'

- Nicholas Fattush (Zahlah)
- Mahmud Abu-Hamdan (al-Biq'a' al-Gharbi)
- Muhammad Bassam Murtada (Ba'labakk-al-Hirmil)

Parties Represented in the Government

- SSNP
- Ba'th Party
- al-Wa'd Party
- Alliance of People's Committees and Associations
- SSNP-EC
- Amal Movement
- Dashnak

Parties Not Represented

- The Phalange
- Lebanese Forces
- Communist Party
- SSNP-Higher Council
- Union Party
- Nasirite Popular Organization
- Islamic Group
- Hizballah
- Guardians of the Cedars
- Solidarity Party
- 'Awn tendency
- Organization Party [hizb al-tanzim]
- Ramgavar
- Hunchak Party
- National Liberal Party
- Society of Philanthropic Projects
- Communist Action Organization
- Nasirite organizations
- Workers League

Represented Parliamentary Blocs

- Liberation Bloc
- Resolution Bloc
- National Struggle Front Bloc
- Franjiyah Bloc
- Popular Bloc
- Armenian Deputies Bloc

Unrepresented Parliamentary Blocs

- Salvation and Change Bloc
- Loyalty-to-Resistance Bloc

- Islamic Group

Report on Composition, Equipment of Armed Forces

93AF0382A London AL-HAYAH in Arabic
10 Dec 92 p 15

[Article: "First All-Out Military Parade Since Civil War; Lebanese Army Between Supply and Training Difficulties and Consolidation and Development Efforts"]

[Text] London—The military parade held in Beirut recently to mark the anniversary of Lebanon's independence has aroused interest at more than one political and military level. The Army's various units, branches, and corps from all parts of Lebanon participated in the first comprehensive parade to be organized by the Lebanese Army in many years, considering that such a parade was nearly impossible during the years of civil war and provincial confrontations experienced by Lebanon since the mid-1970's.

It is evident that the Lebanese Government, and the Army command in particular, wanted this parade to be an occasion to display the political, not to mention security, confidence that can be ascribed to the legitimate armed forces. They also wanted the parade to demonstrate the ability of the units, sectors, and organizations that form these forces to execute the missions entrusted to them with the equipment in their possession. The parade was, of course, an occasion to reaffirm the success of the efforts made by the command since the reunification of the Army—and since the start of the march toward a political solution to the Lebanese crisis—to rehabilitate, rebuild, reorganize, and reequip the legitimate armed forces.

Rehabilitation and Supply

At present, the supply and armament aspect is the main problem facing the efforts to rebuild the Lebanese armed forces in the manner desired by the government. The reason for this is as much political as it is fiscal. Since the early 1980's when Lebanon, under the administration of former President Amin al-Jumayyil, acquired considerable quantities of weapons and equipment, mostly from the United States and some from France, Jordan, and other Arab countries, the shipment of arms to the Lebanese legitimate forces has been practically halted. Since the mid-1980's, the only equipment acquired by the legitimate Lebanese Forces came from Iraq, which supplied equipment to the units supporting General Michel 'Awn. Even though the United States and France used fiscal pretexts to justify withholding from the Lebanese Army the supply of spare parts and munitions that would have enabled it to continue operating the U.S. and French-made weapons in its possession, it is evident that this was not the only element that obstructed the resumption of weapons shipments from these two countries. The Lebanese Government now asserts that it has paid most of what it owed for U.S. and

French equipment. Government sources have said that the "weapons ban" is imposed on Lebanon for political and security considerations. However, these sources have noted that they have recently received information from the United States indicating that Washington is more prepared now to resume supplying the Lebanese Army. The same goes for France, even though no date has been set for this purpose yet.

In a related development, Lebanon has acquired in the past two years, i.e., since the al-Ta'if accord was concluded and the legitimate forces reunified, considerable military aid from several Arab countries, especially Syria, Libya, Egypt, and Algeria. This aid has included Soviet-made weapons and equipment used by the forces of these countries, such as T-54/55 tanks, 122 mm and 130 mm field artillery, mortars of varied calibers, anti-aircraft artillery, SAM-7 shoulder-held anti-aircraft missiles, BM-21 122 mm multiple rocket launchers (40 round). The Lebanese Army had never before used equipment like this. Various other weapons and munitions were also obtained.

This aid was added, of course, to the weapons and munitions the Lebanese Army had acquired in the early 1980's or to whatever weapons and munitions had remained after years of internecine fighting that resulted in a decline in the quality of weapons. Meanwhile, warring militias seized a large part of those weapons. It is to be noted, for example, that the Lebanese Army acquired in that period more than 140 M-48 Patton battle tanks from the United States and 40 more such tanks from Jordan, plus more than 400 M-113 armored personnel carriers (APC's), and dozens of 105 and 155 mm TOW antitank missiles.

Also, Lebanon acquired from France nearly 40 AMX-13 light battle tanks, AMX VCI infantry combat vehicles, VAB APC's, Panhard AML 90 armored combat and reconnaissance vehicles (armored cars), Milan antitank missiles, and British-made Saladin, Saracen, and Ferret combat vehicles and APC's, which were obtained from Jordan and the United Arab Emirates. Regarding the Air Force, Lebanon acquired in that period six British-made Hawker Hunter fighter planes, Gazelle assault helicopters, and Puma troop transport helicopters from France.

Military Parade

Numerous doubts have surfaced in the past two years as to the readiness of a large part of the Lebanese Army's equipment, especially the U.S. and French weapons it uses, such as tanks, armored cars, field artillery, fighter planes, and helicopters. The Lebanese are confronted, of course, with numerous difficulties due to a lack of the necessary spare parts and munitions. But the fact that this equipment was featured in the military parade confirms that some of it continues to be used. Moreover, the featured equipment was well-maintained and ready.

This applies in particular to the M-48 Patton tanks; M-113, Panhard, and VAB armored vehicles; 155 and 130 mm field artillery, and TOW and Milan antitank missiles.

Important new equipment featured in the parade included 122 mm missile launchers (40 round) and Hawker Hunter fighter planes, which flew overhead, thus appearing publicly for the first time in a long while and confirming that the Lebanese Air Force is still capable of operating these aircraft, which currently constitute the mainstay of its combat force. Meanwhile, French-made Mirage-3 fighters are being kept in storage while waiting to be rehabilitated.

At present, there is a number of basic priorities. To meet them and to arm and equip its legitimate forces properly, Lebanon needs a combination of fiscal capability and the right political circumstances. The most important of these priorities is the acquisition of spareparts and munitions necessary to rehabilitate the U.S.-made M-48 Patton tanks and 155 and 105 mm field artillery. The same goes for French-made weapons, including tanks, armored cars, artillery, and missiles. This is in addition to what is needed to rehabilitate the Mirage-3 and Hawker Hunter fighter planes and to complete maintenance and preparation of the the fleet of Gazelle and Puma helicopters.

In any case, the Lebanese Government has asserted through its various sources that rebuilding the Lebanese Army and completing the process of preparing and rehabilitating this army is actually one of its main priorities, because the Lebanese Army is not just a military force. The country's special condition and circumstances have turned this army into an indicator and symbol of the [Lebanese] state's legitimacy and survival at the various political and national levels. This position is likely to grow in the future.

Lebanese Armed Forces (1992)

Personnel:

- Grand total: 38,000 troops;
- Army (ground forces): 36,500;
- Air Force: 1,000;
- Navy: 500;
- Paramilitary forces (gendarmarie and police): 10,000.

A. Army (Ground Forces):

Formations:

- 11 mechanized infantry brigades;
- one mechanized republican guard regiment;
- two intervention regiments (special airborne forces);
- two special reaction regiments (special motorized forces);
- one commando regiment (special forces/commandos);
- one military police regiment (motorized);
- one logistical brigade (administration and services).

Equipment:

- A grand total of 350 tanks, some in storage, including a total of 130 M-48 Patton main battle tanks (nearly 40 of which are in storage); 180 T-54/55 main battle tanks (including about 50 in storage); 40 AMX-13 light battle tanks (including about 10 in storage); 600 armored combat vehicles (some in storage), including a total of 30 AMX VCI infantry combat vehicles; 320 M-113 APC's (some in storage); 50 VAB APC's; 20 Panhard M-3 APC's (most likely in storage); 30 Saracen APC's (most likely in storage); 30 Chaimite APC's (most likely in storage); 60 Saladin armored combat and reconnaissance vehicles (some in storage); 40 Panhard AML-90 armored combat and reconnaissance vehicles; 10 M-6 Staghound armored combat and reconnaissance vehicles (armored cars); 10 Ferret armored combat and reconnaissance vehicles (armored cars—in storage).
- A grand total of 200 field guns (some in storage), including 36 M-198 155 mm guns, 18 M-114 155 mm guns, 12 M-50 155 mm guns, 24 M-46 130 mm guns, 24 D-30 122 mm guns, 20 M-38 122 mm guns, 36 M-102 105 mm guns, 15 M-101 105 mm guns, and 15 D-44 85 mm guns.
- A grand total of 50 rocket launchers, including 30 BM-21 122 mm launchers (40 round) and 20 BM-11 107 mm launchers (12 round).
- A grand total of 200 mortar guns, including 30 heavy 120 mm mortars, 20 heavy 107 mm mortars (in storage), and 150 medium 81 mm mortars.
- A grand total of nearly 175 antiaircraft guns (some in storage), including 63 "M-42 Duster" 40 mm self-propelled guns (single barrel), 20 Bofors L-60 40 mm towed guns (single barrel), 30 Oerlikon 30 mm towed guns (single barrel), 40 ZU-23 twin 23 mm self-propelled and towed guns, and 24 Hispano-Suiza 20 mm towed guns (triple barrel).
- A grand total of 80 antitank missile launchers (some in storage), including 20 TOW launchers, 18 Milan launchers, 20 SS-11 launchers, and 20 "ANTAC" launchers (in storage).

B. Air Force:

- A grand total of 18 fighter planes (among them six practically operable planes), including 10 multipurpose Mirage-3 fighter planes (in storage), eight ground assault Hawker Hunter fighters (two in storage), 10 training aircraft (among them six armed for offensive support), six Fouga-Magister basic training and offensive support aircraft (two in storage), and four Bulldog preliminary training aircraft.
- A grand total of 36 helicopters (15 of which are practically operable), including six Gazelle assault helicopters (three of which are operable), 10 Puma medium helicopters (four of which are operable), eight Augusta-Bell 212 medium helicopters (four of them operable), 10 Alouette III light helicopters (four operable), two Alouette II light helicopters (most likely in storage).
- Four transport planes (all in storage), including one

Falcon-20 special light transport plane, two Shrike Commander light transport and liaison planes, one Dove light transport and liaison plane, and Matra-530 air-air missiles (in storage).

C. Naval forces:

- A total of 12 coastal patrol boats, including one Tarabulus Class boat, three Byblos Class boats, two Tracker Class boats, six Aztec Class boats, 20 light coastal patrol boats, and two Sur (Tyre) Class landing boats (each capable of carrying an armored company consisting of five tanks or armored cars and nearly 100 troops).

(The stored Lebanese Armed forces equipment is the equipment that needs spare parts, munitions, and the maintenance services necessary to put it back in operation).

MAURITANIA

Iranian Backing of Sudanese Embassy Said Likely

93AF0366A Algiers EL WATAN in French 19 Jan 93 p 1

[Commentary by Tayeb Belghiche: "Redeployment"]

[Text] Sudanese fundamentalism is redeploying and seeking to establish itself more firmly in the Maghreb.

Having been expelled from Algeria and Tunisia as a result of their subversive activities, the Khartoum leaders now have designs on Mauritania, where the authorities of that country have given them permission to open an embassy, it has been learned from French sources.

The thing that seems paradoxical in this affair is that Sudan has closed many embassies around the world for economic reasons. It is known to be a "subcontractor" to the Tehran regime, which has sworn to export its "revolution" throughout the Arab world.

And it is very possible that the expenses of the diplomatic mission in Nouakchott will be paid by the Iranians. In exchange, the Sudanese "diplomats" will be responsible for propagating the fundamentalist message.

The Sudanese also tried to open an embassy in Mali. But Malian leaders, aware of the danger they represent to countries where they establish themselves, rejected the proposal.

Since the coming to power of the military junta headed by General 'Umar al-Bashir, who himself takes orders from Hassan Tourabi, chief of the Islamic fundamentalists in Sudan and tool of the [Iranian] regime, the Sudanese have become the underlings doing the fundamentalist international's dirty work around the world.

Among other things, they have opened training camps for Arab terrorists under the supervision of Iranian intelligence officers.

Thus they have become a real danger in the countries with which they maintain relations. Even Egypt, with which they have special relations, has decided to distance itself from them.

Perhaps only complete isolation can bring them to their senses.

SAUDI ARABIA

International Trade: 1988-91 Results Analyzed

93AE0247A London AL-SHARQ AL-AWSAT in Arabic
1-4 Dec 92

[Article by Dr. Henry 'Azzam, head of National Commercial Bank's Economic Department: "Radical Change in the Geographic Distribution of Kingdom's Exports"]

[1 Dec p 10]

[Text] The Saudi economy is one of the 20 largest economies in the world. Saudi Arabia's GDP [gross domestic product] amounted to \$107 billion in 1991 and is considered the largest market in the Middle East for imported goods and services. Saudi imports in 1991 were valued at about \$108.9 billion riyals (\$29 billion) in goods and about 142 billion riyals (\$38 billion) in services, placing the kingdom among the top 15 importing countries in the world. Saudi Arabia ranks ahead of Greece, Portugal, Turkey, Ireland, New Zealand, Australia, and Thailand in the annual value of imported goods and services. Saudi Arabian imports reached a record high of 139 billion riyals (\$37 billion) in 1982 before it slid to about 70 billion riyals (\$18.6 billion) in 1986 and then assumed a gradual climb to 108.9 billion riyals (\$29 billion) in 1991.

Important characteristics of Saudi foreign trade include the free movement of capital, the free exchange of foreign currency, and the absence of any restrictions for purposes of the balance of payments. Trade policies in force call for certain incentives and measures whose overall objective is to stimulate domestic economic

activity. Most imports are subjected to a customs levy of about 12 percent except for tobacco and tobacco products, for which the customs duty is 30 percent.

A small number of manufactured imports (such as detergents, soap, plastic products, marble, tile, pastas, candies, furniture, cement, iron bars, etc.) are subject to a 20 percent protective levy designed to stimulate domestic [import] substitution industries.

On the other hand, there is no customs levy of any kind on imported production requirements of raw materials or on basic foodstuffs, such as sugar, rice, tea, meat, barley, etc.

Certain controls are in place to stimulate the domestic private sector. For instance, foreigners awarded government contracts must subcontract with Saudi contractors for at least 30 percent of the value of the awarded government contract. Machinery, equipment, and services needed to implement government contracts must also be secured through domestic firms.

1991 Saudi Exports by Category (in percent) [figures as published]

Crude Oil	78.1%
Refined Products	5.0%
Petrochemicals	13.2%
Other Products	3.8%

1982-91 Saudi Exports and Imports (in billions of dollars)

	Imports	Exports
1982	139	279
1983	135	158
1984	118	132
1985	85	99
1986	70	75
1987	75	86
1988	79	106
1990	90	166
1991	108	173

Saudi Arabian Exports 1988-1991 (in millions of riyals)

	1991	1990	1989	1988
Petroleum and Other Mineral Products	164,102	150,887	90,839	75,995
Chemicals	5,915	5,710	5,912	3,389
Plastics and Rubber	3,465	3,819	4,236	3,898
Basic Metals	1,179	1,537	1,419	971
Transportation Equipment	833	1,066	705	866
Machinery	804	728	652	638

Saudi Arabian Exports 1988-1991 (in millions of riyals) (Continued)

	1991	1990	1989	1988
Farm Products	670	835	1,141	1,001
Livestock and Animal Products	543	337	231	237
Paper and Paper Products	327	325	311	270
Textiles	310	250	275	209
Assorted Products	299	54	66	50
Stone, Gypsum, China, and Glass Products	190	127	111	147
Fat and Cooking Oil	9354	33	7	
Food and Beverage Industry Products	65	220	179	136
Leather Products	65	111	120	214
Lumber and Wood Products	31	54	45	51
Tools and Equipment	17	88	47	42
Shoes and Accessories	14	9	12	16
Jewelry	11	231	135	157
Total	178,974	166,339	106,294	91,289

Source: Census Department, Ministry of Finance and National Economy, FOREIGN TRADE STATISTICAL BULLETIN, 1991.

Export Growth

The overall value of Saudi exports shot up in 1991 to 178.9 billion riyals (\$47.7 billion). This is a 7.5 percent increase from 166.3 billion riyals (\$44.3 billion) in 1990 and twice its 1988 value of 91.3 billion riyals (\$24.3 billion). See table 1.

Crude oil, at 78.1 percent of total exports, accounts for most Saudi exports, followed by petrochemicals at 13.3 percent, refined petroleum products at 5 percent, and others at 3.6 percent.

Most Saudi exports are sold to Japan, other Southeast Asian countries, the United States, Western Europe, and Gulf Cooperation Council [GCC] states.

Crude oil accounts for half of all Saudi exports to the GCC. Most of it is destined for the oil refinery in Bahrain. But the value of Saudi industrial exports to GCC states remains under 5 billion riyals (3.2 billion), or less than half of the aggregate value of Saudi exports to the other 5 GCC states, which came in around 12 billion riyals (\$3.2 billion) in 1991.

Saudi exports to Arab and Islamic countries continued to climb over the past few years and account for about 8.5 percent of all Saudi exports last year.

Saudi oil exports, which include crude oil, refined petroleum products, and liquefied natural gas, declined sharply from their high of \$111 billion in 1981 to \$18 billion in 1988, recouping a bit to \$24 billion in 1989.

With the Gulf crisis and the consequent loss to markets of the Iraqi and Kuwaiti [petroleum] product, Saudi Arabia

raised its crude production and export rates. A coincidental rise in oil prices boosted Saudi oil revenues to \$40 billion in 1990, to \$43.7 billion in 1991, and to an estimated \$44.2 billion in 1992. Those revenues include crude oil quantities set aside to finance defense offset investment programs, such as al-Yamamah project with Britain, as well as certain construction programs of unique nature.

The geographic distribution of Saudi exports changed over the past decade. Most of those exports used to go to the Middle East, but there is now a more balanced distribution to major markets in the United States, Western Europe, and Southeast Asia.

In the early 1980's, more than half of Saudi Arabia's crude exports were shipped to agents in the Far East (especially Japan), 25 percent of aggregate oil exports to Europe, and less than 10 percent to North America. This changed drastically by 1991 when 30 percent of all Saudi oil exports went to North America, 30 percent to the Far East, and 35 percent to Europe. Saudi Arabia is currently the major supplier of crude oil and oil products to the United States. Saudi exports to the United States in the first half of 1992 amounted to about 1.64 billion bpd [barrels per day], or nearly 55 percent of OPEC exports to the United States and about one-third of aggregate U.S. oil imports from all sources which amount to 5.4 million bpd.

Saudi oil exports to the Middle East declined in the 1980's but climbed back up to about 2 million bpd in 1991.

Saudi Arabia also became Japan's largest oil supplier in the first half of this year, with a volume of 1.12 million bpd.

All economic forecasts appear to agree that Saudi oil exports to Japan and other Far Eastern countries will continue to rise

in the future. The Far East is the fastest growing market for oil and petroleum products. Beside, both Japan and Korea have recently concluded that they have no alternative to increased dependence on Gulf oil and have consequently adjusted their energy security strategies by abandoning their past practice of attempting to reduce purchases from the area and by focusing more on bolstering trade relations with Saudi Arabia and other Gulf states.

Saudi Arabia stands out as an influencing force in world markets for natural gas. It contributes between 7 percent and 10 percent of aggregate annual world production of liquified natural gas (propane, butane, and natural gas) and accounts for 30 percent of all trade in [natural gas] products. It is to be noted that the Saudi oil refining industry has a disproportionately larger role in world markets for refined products than its actual size would indicate. Saudi Arabia has a refining capacity of no more than 1.6 billion bpd, or a mere 2 percent of aggregate world refining capacity, but its annual exports of refined oil products, at 760,000 bpd, represents about 10 percent of aggregate free world trade in those products. Saudi exports of refined petroleum products climbed to 765,000 bpd in 1991 and are estimated at 785,000 bpd in 1992.

[2 Dec p 12]

[Text] The value of Saudi non-oil exports was low throughout the early 1980's and was calculated at no more than 3.75 billion riyals (\$1 billion) in 1983, after which non-oil exports began to rise, climbing to 4.6 billion riyals (\$1.23 billion) in 1986 and then to about 12.5 billion riyals (\$3.34 billion) in 1991. Non-oil exports grew between 1986-91 period at the high annual rate of 22 percent. It is to be

noted that the ratio of non-oil exports to total Saudi exports rose to 17 percent in 1991 from less than 1 percent in 1981. It may be pointed out that the sharp growth of non-oil exports in the post-1983 period coincided with the exportation of petrochemicals produced at the Jubayl and Yanbu' facilities. This accelerated growth is attributed to two factors—the gradual expansion of the productive capacities of those facilities and firming prices on world markets. Prices for basic petrochemicals declined by 10 to 30 percent over the past couple of years because of slow economic growth in the major industrialized countries, but Saudi Arabia was able to raise production in order to compensate, albeit partially, for the effects of price declines on revenues from petrochemicals and plastics exports, which dropped by 4.91 percent in 1991.

Other non-oil, nonpetrochemical exports remained low in value and volume until 1986 because import-substitution was the focus of domestic industry during that period. The growth rate of manufactured exports other than petrochemicals escalated during the past four years, however, with the help of numerous measures taken to promote exports and by huge private sector investments in industry.

Farm exports, primarily wheat, also rose considerably over the past few years to exceed 30 percent during the 1986-91 period, but remain at less than 16 percent of the aggregate value of non-oil exports in 1991.

Industrial nonpetrochemical exports continued to climb over the past few years to 5.79 billion riyals (\$1.54 billion) in 1991, up from 5.01 billion riyals (\$1.34 billion) in 1988. Those exports are mostly in metal products, such as steel, copper, cables, etc; electric appliances, especially air conditioners; wheat; various foodstuffs; and paper products.

Major Saudi Non-Oil Exports (in millions of riyals)

	1986	1991	Annual Growth Rate (%)
Petrochemicals	4,238	9,080	18%
Farm Products	174	670	30%
Products of Basic Metals	88	1,179	54%
Cooking Oil and Food	65	158	16%
Paper Products	18	327	85%
Stone, Cement, and China Products	24	280	65%
Machinery and Electric Appliances	28	821	98%
Total Non-Oil Exports	2,634	12,515	22%

Source: Kingdom of Saudi Arabia, Ministry of Commerce, 1992.

1991 Saudi Imports by Category (in percent) [figures as published]

Agricultural, Industrial, and Business Supplies	29.71%
Foodstuffs and Beverages	12.31%
Other Consumer Goods	18.06%
Communications Equipment	21.10%
Machinery and Equipment	15.77%

Imports Grow

Saudi Arabia's imports increased in both 1990 and 1991 to reflect growth in domestic economic activity and additional spending as a consequence of the Gulf crisis.

The value of imported goods rose by 20 percent, from about 90 billion riyals (\$24 billion) in 1990 to 108.8 billion riyals (\$29.03 billion) in 1991. An analysis of figures for broad import sectors indicates that materials and supplies accounted for 29.7 percent of total imports, followed by transportation equipment at 24.1 percent, other consumer goods at 18 percent, machines and capital goods at 15.7 percent, and foods and beverages at 12.3 percent.

It should be noted that about 50 percent of imports enter Saudi Arabia at Jeddah Islamic Port. Dammam, which receives about 16.9 percent of all imports, is the country's second largest port of entry. Jiddah, Riyadh, and Dhahran Airports, which successively receive 9.4 percent, 9 percent, and 7.5 percent of imports, rank third, fourth, and fifth as entry gateways.

A more detailed analysis of import figures indicates that 1991 imports of transportation equipment and spare parts were valued at 22.9 billion riyals (\$6.1 billion), for an increase of 23.8 percent over the previous year. Tools and instruments ranked second in value at 21.1 billion riyals (\$5.6 billion), or an increase of 42.8 percent over the previous year; followed by basic metals, which were valued at 9.3 billion riyals (\$2.5 billion), or 26.8 percent higher than the previous year; and textiles, which were valued at 9.2 billion riyals (\$2.4 billion), for an increase of 15 percent from 1990. The value of imported chemical products increased in 1991 by 11 percent, to 8.06 billion riyals (\$2.15 billion), as did the value of imported foods, which jumped by 12 percent, from 12.2 billion riyals (\$3.25 billion) in 1990 to 13.6 billion riyals (\$3.6 billion) in 1991.

Looking at Saudi imports by country of origin, we find that the United States continues to be Saudi Arabia's major provider—a ranking it has maintained since 1988. U.S. exports to Saudi Arabia amounted to about 22 billion riyals (\$5.87 billion) in 1991 and accounted for 20.2 percent of aggregate Saudi imports that year, down from 15.06 billion riyals (\$4 billion) in 1990, when it had a 16.7 percent share of the Saudi import market. Saudi imports from the United States include airplane spare parts, cigarettes, household goods, furniture, computers, power generators, foodstuffs, etc.

Japan, which was the largest exporter to Saudi Arabia in 1988, has dropped to second place among Saudi Arabia's suppliers. Japanese exports to Saudi Arabia in 1991 amounted to 14.9 billion riyals (\$3.97 billion) and accounted for 13.7 percent of all Saudi imports. This is a market-share decline of 15 percent from a year earlier. Saudi imports from Japan are mostly in automobiles and trucks, automotive spare parts, tires, electronics, and electric appliances.

Britain maintained its ranking, for the fifth year in a row, as Saudi Arabia's third-largest supplier. Imports from Britain had a value of 12.2 billion riyals (\$3.25 billion) in 1991. Its share of the Saudi import market climbed to 11.3 percent from a low 7 percent in 1988. Saudi imports from Britain are mostly in airplane spare parts, military ordnance, medicine, gold bullion, and cigarettes.

Germany, whose [1991] exports to Saudi Arabia amounted to 8.52 billion riyals (\$2.27 billion), ranked fourth among Saudi Arabia's suppliers, and its market share of Saudi imports edged upward from 7.4 percent in 1990 to 7.8 in 1991. Major German imports include automobiles, machinery, tools, steel and aluminum structures, and spare parts.

It is clear, therefore, that the above four countries are Saudi Arabia's major suppliers and that their collective share exceeds 50 percent of all Saudi imports.

Other suppliers, ranked by the value of their exports to Saudi Arabia, include Switzerland, with exports of 5.28 billion riyals (\$1.141 billion), of which gold accounts for 80 percent; Italy, with exports of 5 billion riyals (\$1.34 billion), or 4.6 percent of the Saudi import market; and France, with exports valued at 4.36 billion riyals (\$1.16 billion), or 4 percent of all Saudi imports.

Imports from South Korea are valued at 3.2 billion riyals; from China, 22.3 billion riyals; from Taiwan, 2.12 billion riyals; and from Holland, 2.1 billion riyals. It should be mentioned that imports from China have risen rapidly and that China was Saudi Arabia's eighth largest supplier in 1991. Chinese exports to Saudi Arabia are primarily in clothes and textiles of natural and complex man-made fibers.

The aggregate value of imports from Saudi Arabia's 15 largest suppliers amounted in 1991 to about 88.47 billion riyals (\$23.6 billion) which accounted for 81.2 percent of all Saudi imports that year.

[3 Dec p 10]

[Text] A classification of Saudi imports by geographic origin shows that Western Europe ranks in first place, with about 45.5 billion riyals (\$12.1 billion), or 41 percent of total Saudi imports in 1991. Asia ranks second, with 1991 exports to the kingdom of about 26.7 billion riyals (\$7.1 billion) and a 24.5 percent share of the Saudi import market. North America—primarily the United States—ranks third, with a market share of 21 percent.

Combined, Saudi imports from the three regions amounted to 95.1 billion riyals (\$25.4 billion) and accounted for 87.3 percent of total Saudi imports. A number of Arab and Islamic countries share the remaining 12.7 percent of the Saudi import market.

The kingdom had a surplus in its trade balance with its trade partners from all regions except Western Europe. Saudi imports from Western Europe in 1991 exceeded exports to it by 19.7 percent.

Trade With GCC

Saudi Arabian imports from the GCC [Gulf Cooperation Council] states were valued at 1.5 billion riyals (\$400

million) in 1991, a slight decline from 1.6 billion riyals (\$436 million) a year earlier. Imports by the kingdom from the other GCC states account for no more than 1.4 percent of its aggregate imports.

The United Arab Emirates continued to be Saudi Arabia's largest GCC supplier, with a 55 percent share of all Saudi imports from the GCC states. Bahrain ranked second, with a 17 percent share; followed by Kuwait, with 15 percent; Oman, with 8 percent; and Qatar, with 5 percent.

Saudi imports from the other Arab states had a total value in 1991 of about 2.9 billion riyals (\$773 million) and accounted for 2.7 percent of aggregate Saudi imports. This compares with about 2.6 billion riyals (\$687 million) in 1990.

Private sector imports financed by commercial banks rose by 30.4 percent, from 52.4 billion riyals (\$13.9 billion) in 1990 to 71.7 billion riyals (\$19.1 billion) in 1991. This category of imports, which grew at rates of 4.7 percent in 1990 and 5.2 percent in 1989, continues to expand and has increased in the first quarter of 1992 by 41.3 percent over the same period a year earlier. This import category therefore grew at a rate higher than the 20.7 percent growth rate for imports as a whole. Accordingly, bank-financed private sector imports grew by 10 percent to 70 percent [of aggregate imports] in 1991.

Figures available on imports financed by commercial banks indicate that automobiles continued in first place at 19.4 percent of total imports in 1991, up from 17 percent a year earlier. Machinery and instruments ranked second for the fourth year in a row, followed by foodstuffs, clothes, and construction materials.

Saudi Arabian Exports, 1988-1991 (in millions of riyals)

	1991	1990	1989	1988
Transportation Equipment and Spare Parts	22,868	18,471	14,640	11,930
Machinery and Tools	21,115	14,777	14,557	15,527
Textiles	9,169	7,947	7,754	8,665
Basic Metals and their Products	9,931	7,830	6,476	8,133
Chemicals	8,065	7,232	5,274	6,470
Jewelry and Precious Metals	5,531	6,213	3,848	1,970
Livestock and Animal Products	5,613	4,838	4,392	4,278
Farm Products	3,610	3,737	4,499	4,789
Food and Beverage Industry Products	4,449	3,639	3,461	3,768
Plastics and Rubber	4,213	3,518	2,943	3,302
Tools and Equipment	3,072	2,836	2,927	3,110
Other Products	2,648	1,751	1,773	2,034
Paper and Paper Products	1,879	1,736	1,349	1,600
Stone, Gypsum, China, and Glass Products	1,848	1,677	1,666	1,915
Wood and Wood Products	1,564	1,249	1,088	1,403
Shoes, Covers, and Similar Products	1,194	895	975	932
Metal Products	844	760	727	711
Fat and Cooking Oil	490	403	212	267
Leather Products	358	374	393	
Objects of Art	303	244	265	331
Weapons and ammunition	45	28	21	24
Total	108,881	90,139	79,219	81,582

Source: Census Department, Ministry of Finance and National Economy; FOREIGN TRADE STATISTICAL BULLETIN, 1991.

Major Exporters to Saudi Arabia, 1990 and 1991 (in millions of riyals)

	1990		1991	
	Value	Percent of Total	Value	Percent of Total
United States	15,062	16.7	22,003	20.2
Japan	13,815	15.3	14,915	13.7
United Kingdom	10,182	11.3	12,267	11.3
Germany	6,645	7.4	8,520	7.8
Switzerland	5,929	6.6	5,282	4.9
Italy	4,181	4.6	5,028	4.6
France	3,573	4.0	4,366	4.0
South Korea	2,960	3.3	3,220	2.9
Holland	2,036	2.3	2,100	1.9
China	1,668	1.8	2,345	2.2
Taiwan	1,969	2.2	2,127	2.0
Belgium	1,558	1.7	2,044	1.8
Brazil	1,116	1.4	1,434	1.3
Sweden	1,169	1.3	1,432	1.3
Spain	984	1.0	1,384	1.2
Total for Top 15 Suppliers	72,847	80.9	88,467	81.2
Grand Total	90,139	100.0	108,881	100.0

Source: Census Department, Ministry of Finance and National Economy; FOREIGN TRADE STATISTICAL BULLETIN, 1991.

Balance of Payments

The Saudi balance of payments showed a surplus in the balance of trade but a deficit in the balance of services and transfers. Both trends accelerated over the past two years—the former because of higher oil export revenues and the latter because of considerable outlays for imported services.

The trade surplus dropped to a mere \$3 billion in 1986 before resuming its upward trend to reach about \$22 billion in 1991. The deficit in services and transfers shrank from \$35 billion in 1981 to \$12 billion in 1988 and then expanded again to \$47.8 billion in 1991 as a direct result of huge outlays, induced by the Gulf crisis, for imported services and for transfers abroad. That tremendous increase was the main reason for a current account deficit of \$35.7 billion. See Table 6.

The value of Saudi exports jumped in 1990 to \$44.3 billion, but this was largely offset by increased imports and by the tremendous rise in outlays for imported services and for Gulf crisis-related transfers abroad.

The widening deficit in the balance of services and transfers that year is attributed to several factors, including the burdens [costs] of the Gulf crisis, higher shipping and insurance charges, and a rise in transfers by foreign workers, especially those who left the country during the crisis. Nevertheless, the increase in oil and other export revenues helped alleviate the effects of this worsening deficit in the balance of services and transfers,

and consequently narrowed the current accounts deficit to \$4.32 billion in 1990, less than 50 percent of the previous year's level.

Balance of payments figures for 1991 show that unforeseen payments rose by 50 percent, to \$59 billion, because of additional costs incurred by Saudi Arabia as a result of the Gulf crisis and of payments for other imported services (\$38.6 billion, compared with about \$22.4 billion a year earlier). Other factors included a rise in foreign worker transfers (from \$11.6 billion to \$13.7 billion) and an increased aid to other countries (from \$4.4 billion to \$6.5 billion).

In spite of the increase in the balance of trade surplus because of higher oil revenues and other revenues, the current accounts deficit rose in 1991 to \$25.7 billion, much higher than in 1990, and was financed in large part by monetary inflows from abroad, including a \$45 billion loan to the government from a consortium of international banks and by a \$2.5 billion domestic borrowing from local banks.

Inflows of private sector capital into the country also increased. This is a harbinger of restored confidence and of an improving investment climate in the kingdom.

[4 Dec p 10]

[Text] The current account deficit is expected to narrow considerably in 1992 and continue improving over the

next few years. This will have a favorable effect on the balance of payments, which is expected to show a small surplus from 1992 to 1996.

That surplus, aided by capital inflows from abroad by Saudi commercial banks and other private sector institutions, will bolster foreign assets in the kingdom.

The Bank of International Settlements said in its recent quarterly bulletin that the Saudi banking sector withdrew some \$6.42 billion dollars from banks in the industrial countries in the first quarter of 1992. The obligations of banks, which are located in 18 industrialized countries and major offshore centers, to the Saudi banking sector declined to \$46.38 billion by the end of March 1992, while their obligations to the nonbanking private sector amounted to about \$30.29 billion. Funds employed abroad by the Saudi private sector by the end of the first quarter of 1992 are therefore estimated at about \$76.7 billion.

The kingdom's oil export revenues are expected to climb to \$44.2 billion in 1992 from \$43.7 billion in the previous year. Non-oil exports are calculated to remain at their 1991 level of about \$4.5 billion because of soft prices for petrochemicals on world markets. [Outlays for] imports are believed to have risen because of import expansion in tandem with the country's economic growth and because of higher prices for Japanese and European imports due to declines in the value of the Saudi riyal which is linked to the U.S. dollar. Imports in 1992 are therefore estimated at about \$28.7 billion, or a 10 percent increase over 1991.

Income from investments abroad may have retreated somewhat because of low dollar interest rates in 1992 but the kingdom's outlays for imported services and for transfers abroad declined at an even faster rate estimated at 32 percent of 1991 levels.

Private transfers by guest workers, shipping and insurance payments, foreign debt service, and [payments for] other imported services such as consulting and contracts to foreign firms, foreign bank services to the Saudi private sector, and funds expended by Saudis traveling abroad—all of those have returned to their normal levels after the extraordinary expansion they experienced in 1990 and 1991 during the Gulf crisis.

Saudi aid to other countries likewise shrank back from its abnormal level in 1991. The deficit in the balance of payments and services for 1992 is therefore estimated at about \$29.1 billion, compared with \$47.8 billion in 1991. The current accounts deficit is expected to be in the vicinity of \$8.8 billion, financed mostly by an estimated \$15 billion in private sector capital inflows from abroad. This would leave the balance of payments with a 1992 surplus of about \$6 billion.

Balance of payments forecasts for the next four years (1993-96) put current account deficits at no more than \$5 billion a year. Net capital inflows by commercial banks and private sector institutions are expected to continue and therefore help cover those current account deficits and leave the balance of payments with a slight surplus as a whole. That would also lead to a cumulative increase in the foreign reserves of the Saudi Arabian Monetary Agency.

Saudi Arabian Trade and Current Account Balances for 1987-1991 (in billions of dollars)

	1987	1988	1989	1990	1991	1992*
1. Balance of Trade	4.8	4.5	9.1	22.8	22.1	20.3
Exports	23.1	24.3	28.3	44.3	48.2	49.0
Imports	18.3	19.8	19.2	21.5	26.1	28.7
2. Services and Transfers	14.5	11.8	18.3	27.1	47.8	29.1
Revenues	12.5	12.1	12.3	11.3	11.0	10.9
Return on Foreign Investment	(9.9)	(9.7)	(9.7)	(8.3)	(8.0)	(7.7)
Other Income	(2.6)	(2.4)	(2.6)	(3.0)	(3.0)	(3.2)
Payments	27.0	23.9	30.6	38.4	58.8	40.0
Shipping, Transportation, and Other Services	(18.8)	(14.9)	(20.1)	(22.4)	(38.6)	(26.0)
Guest Worker Remittances	(4.9)	(6.5)	(8.3)	(11.6)	(13.7)	(10.0)
Government Foreign Aid	(3.3)(2.5)	(2.2)	(4.4)	(6.5)	(4.0)	
3. Current Account Balance (1+2)	9.7	7.3	9.2	4.3	25.7	8.8

* Estimated. Source: International Monetary Fund; INTERNATIONAL STATISTICS, October 1992.

Conclusion

Changes in the size and nature of the Saudi market in recent years had a noticeable effect on exporters to the kingdom. Industrialization has induced equilibrium between the demand for consumer goods and the demand for capital and intermediate goods. Industrialization has increased the demand for machinery and equipment, fixed assets, and semimanufactured products. That category of imports expanded from less than 50 percent of all imports in the 1980's to 95 percent of total imports in 1991. Meanwhile, the percentage of imported consumer goods declined to 35 percent and demand for import substitutes rose as a result of the desire to support basic infrastructure and [to protect] infant industries. Since those products and installations are more in demand by existing enterprises than by contemplated ones, the potential for their utilization by and suitability for existing installation is gaining ground.

The commercial openness of the Saudi economy differentiates it from others in the developing world. Imports are rarely constrained, either by customs duties or by import quotas. Export revenues more than covered aggregate import outlays in the past 10 years. There is resistance in principle to restricting imports even though there is some pressure on the balance of payments. This is due perhaps to the kingdom's economic openness, which is an ancient cultural trait prompted by the nature of available resources. Saudi Arabia, for instance, has no need to restrict imports in order to provide employment for its citizens since manpower shortages remain a major impediment to development. While certain infant industries may need temporary protection, the consequent loss [cost] to [foreign] exporters is minimal as judged against Saudi imports as a whole. Moreover, high import tariffs drive up consumer prices, which is not acceptable in a society that is protective of the interests of consumers and is keen on safeguarding their purchasing power.

There is increasing focus on promoting exports of Saudi-manufactured goods. The private sector has played an important role in expanding Saudi nonpetroleum exports. Saudi Arabia occupies a strategic location that qualifies it as a center for industries targeted at the markets of neighboring countries. The GCC alone offers a market of 18 million consumers whose incomes and consumption rates are among the highest in the world. The kingdom's trade agreements with Arab and Islamic countries make it easier for Saudi products to enter those markets at very low customs levies and frequently free of all levies. Such arrangements will give Saudi nonpetroleum exports access to markets of more than 100 million consumers.

Saudi manufactured exports will be further helped by a [foreign aid] policy similar to those adopted by many industrialized aid donors. [A condition of] funding projects abroad through the Saudi Development Fund, as well as through other aid in money or in kind, is to emphasize to aid recipients that they must import more Saudi industrial products to meet their needs.

The creation of a specialized institutions for export financing will bolster the private sector's export ability. Until then, Saudi exporters may rely more on the region's financial institutions, which provide export financing, among other services. Examples of such institutions are the Islamic Development Bank, the Arab Monetary Fund, and the Arab Organization for Investment Guarantees. For their part, those institutions should consider raising their credit ceilings for Saudi exporters and should endeavor to reduce the utilization costs of the programs they offer.

Major Firms, Services Slated for Privatization

93AE0253A *London AL-HAYAH in Arabic 11 Jan 93*
p 9

[Report from Jeddah by Ibrahim Idriss: "Propensity for Privatization in Saudi Arabia"]

[Text] A number of Saudi businessmen disclosed to AL-HAYAH that a trend exists for privatization, i.e., letting the private sector manage and operate enterprises of the ministries and government agencies. They pointed out, however, that relevant studies have not yet advanced to the point of formulating "acceptable plans" to begin selling the assets of those enterprises, in part of in full, to the private sector.

Saudi Arabian Airlines heads the list of Saudi government enterprises suitable for privatization, followed by the postal and telecommunications sector, the General Organization for Grain Silos and Flour Mills, the General Organization for Desalination, water and sewer departments, the General Port Authority, and the General Railways Organization.

Salih al-Tu'aymi, secretary general of the Chamber of Commerce and Industry in Riyadh, denied the existence of studies or plans to delay privatization as a fundamental objective of the Saudi's fourth (1985-90) and fifth (1990-95) development strategies [plans].

Al-Tu'aymi said in an interview with AL-HAYAH that privatization requires planning and must be undertaken in a gradual, studied manner in order to avoid undermining the overall performance of the Saudi economy. He added that the Saudi Government is clearly determined to begin by privatizing enterprises that [straddle] private and public sectors. The initial step would be to form joint companies in which the private sector would be a minority owner but allowed effective participation in management until it assumes majority ownership at a later date.

He said that Saudi public enterprises will be classified into various categories according to type. Some will be suitable for privatization by way of management, operating, and maintenance contracts. Some will be sold to the private sector. Other existing enterprises will be suitable for privatization through joint ownership by both the private and public sectors.

He noted that the General Ports Authority belongs to the first category of enterprises, along with airports, public

hospitals, sewers, public libraries, clubs, athletic fields, museums, ancient sites, and municipal surveying and maintenance services.

He added that the privatization experiment in several countries proved the benefits of private sector entry in all fields, as long as privatization is undertaken in the right fashion and at the appropriate time.

He pointed out that the fifth Saudi plan for economic and social development specified a number of procedures that are to be followed before the large-scale privatization of public enterprises. Those procedures call for increasing the number of distinguished businessmen on the boards of directors of governmental institutions, selling selected governmental institutions to the private sector, encouraging the private sector to compete with specific government operations, contracting with companies, whenever possible, to perform services that are currently handled by the Saudi government, and identifying projects that could be implemented through contracts.

Engineer 'Adil Muhammad al-Faqih, chairman and chief executive officer of the (SAFOLA) Company, believes that privatization in the strict sense of transferring ownership from the state authority to the private sector would greatly undermine the issue of privatization and limit it to a very narrow dimension. He told AL-HAYAH that management is generally the same in both public and private Saudi enterprises. The crux of the matter is the ability to introduce two major changes, including:

- Targeting profitability instead of offering service and productive units without a profit motive; and
- Creating more than one source for a specific service or product, thereby inducing competition.

He said that the mechanics of free commercial enterprise would create many opportunities for citizen innovation.

'Abdallah Abu-al-Samah, consultant to the Saudi-French Bank in Jeddah and a member of its board of directors, said that he does not think that the Saudi Government is bent on privatization. He said that the studies undertaken in that regard were simply meant to assess the general feelings toward this issue.

In an interview with AL-HAYAH, he said that the idea of [privatization] originated with some businessmen and journalists and therefore cannot be construed as motivated by the government.

He explained that the feasibility studies may lead to different conclusions and emphasized that a number of enterprises are highly profitable. He added, however, that [good performance] depends on good management and that many private enterprises under-perform because of inefficient management and high costs.

Abu-al-Samah called for adequate guarantees to ensure that the public is adequately served when such major services as the telephone service or Saudi Airlines are privatized into stock companies. He is convinced that services would rise in cost if privatized. To avoid that, he proposed restrictions on

monopolies and franchises and suggested that companies be founded to compete with them.

SYRIA

Khaddam on Lebanon, Negotiations, Regional Issues

93AF0392A London AL-HAWADITH in Arabic
22 Jan 93 pp 16-17

[Interview with Syrian Vice President 'Abd-al-Halim Khaddam in Damascus; date not given: "Unity Between Syria and Lebanon Is Not at Issue"]

[Text] He is a successful lawyer and a bright politician whom words obey willingly. Moreover, he is pragmatic, and he has encountered difficulties that have burned his fingers and given him the experience that he now uses to serve his country and win for its causes.

With the mentality of a talented and precise attorney, Syrian Vice President 'Abd-al-Halim Khaddam receives urgent files, examines them, and separates the lean from the fat and the froth that vanishes into the sand from that which is beneficial and lasting. At his office in Damascus, he received AL-HAWADITH, which conducted the following interview with him:

[AL-HAWADITH] Why hasn't Arab aid reached Lebanon to date?

[Khaddam] Arab summits have not adopted resolutions to aid Lebanon. Rather, there have been tendencies to aid. I believe that the Lebanese must begin helping themselves before waiting for aid from others.

[AL-HAWADITH] Is the Lebanese Government moving with steady strides to improve the situation in Lebanon?

[Khaddam] The Lebanese Government has begun with outstanding steps to improve the situation. The war has ended and the country has put its feet on the right path to achieve its objectives. Positives are developing in succession at more than one level.

[AL-HAWADITH] Will there be another meeting of the Higher Council, especially since it is to appoint its secretary general?

[Khaddam] The council may convene shortly. A secretary general will certainly be appointed.

[AL-HAWADITH] What about unity between Syria and Lebanon?

[Khaddam] The fraternity and cooperation treaty governs relations between the two countries. The issue of establishing unity between them is not raised.

[AL-HAWADITH] 'Abd-al-Halim Khaddam is one of the most skillful and best people to deal with the Lebanese dossier. Do the Lebanese annoy you by embroiling you in their issues?

[Khaddam] Never. The Lebanese who come to visit Damascus do not come to annoy us but because friendship ties us to them. When they visit Damascus, we discuss Lebanese, Syrian, and Arab issues with them.

[AL-HAWADITH] Regarding disputes within the Phalange Party, has anybody contacted Syria on this conflict?

[Khaddam] This is an internal, partisan issue for the Lebanese, and we will not intervene in it.

[AL-HAWADITH] What about the issue of the deportees, and what stance has Syria taken to support the Lebanese position on solving their problem?

[Khaddam] Our stance is similar to the Lebanese Government's position. It is a sound stance that emanates from pan-Arab and nationalist positions. We support the Lebanese Government's position, and we are making all kinds of efforts and international contacts to ensure that the Palestinian deportees are repatriated.

[AL-HAWADITH] Where do relations between Syria and the PLO stand now?

[Khaddam] The Palestinian cause is our cause and our relations with the Palestinian factions are normal and ordinary. Coordination is made fundamentally within the framework of the meetings held by the loop [al-tawq, or what used to be called frontline] states.

[AL-HAWADITH] It is being said that justifications for continued negotiations with Israel have vanished because Israel lacks credibility, because it procrastinates, and because continuation has become embarrassing to Syria on the Arab scene.

[Khaddam] When we agreed to the peace initiative, we acted on the conviction that the initiative would lead to accomplishing our objectives to regain the land and the rights. It is true that nothing has been accomplished to date, but we cannot say that we have reached a dead end.

[AL-HAWADITH] What is the real condition of Syria's relations with the United States, and will the inauguration of President Clinton create a new reality in these relations?

[Khaddam] The Syrian-U.S. relations are normal. There has been positive development in the two countries' relations in recent years. We do not believe that the new U.S. administration will have a Middle East policy different from that of the previous administration.

[AL-HAWADITH] What about resettlement and naturalization?

[Khaddam] The Palestinians, Lebanese, and Syrians are against resettlement.

As for naturalization, it is well known that there are large numbers of Lebanese who have been denied citizenship and that this issue has been raised for more than 20 years. In any case, the Lebanese Government is examining this issue in light of Lebanon's interest.

[AL-HAWADITH] Now that communism has fallen apart, has the United States become the world's fate and divine decree?

[Khaddam] Nobody other than God, may He be praised and exalted, can be the fate and divine decree.

Every group of people has a right to make its own decisions and to exercise its sovereignty. There is no fate and divine decree in international relations.

[AL-HAWADITH] There is talk about an Arab summit. Are the conditions suitable for holding such a summit?

[Khaddam] Continuation of the current Arab situation is a tragedy to all Arabs. Serious approaches are needed to tackle this situation. If a summit is the most appropriate way to tackle the matter, then the conditions for convening it and ensuring its success must be created.

[AL-HAWADITH] The individual most eligible to do this is President Hafiz al-Asad. Is Syria interested in convening this summit?

[Khaddam] We frequently talk of Arab solidarity, and we have made and continue to make contacts in this direction. Of course, restoring solidarity consumes the main part of President Hafiz al-Asad's effort and activity.

[AL-HAWADITH] Syria has exerted commendable efforts with the United Arab Emirates and Iran regarding the islands. What about the outcome of these efforts?

[Khaddam] We have exerted efforts, and we have found desire on both sides to develop a cordial solution to this problem. We hope that this solution will be attained.

[AL-HAWADITH] What is Syria's opinion of the Islamist, fundamentalist, and radical tendencies?

[Khaddam] Why is there always talk about the Islamist tendency, and why doesn't anybody talk about the Zionist tendency? The Zionist movement is the oldest, harshest, and most dangerous fundamentalist movement in the world. Do you know why this issue is raised and who assaults Islam and talks about Islam's danger? The Israelis.

[AL-HAWADITH] The world media talk, perhaps basing their talk on apprehensions expressed by the Palestinians, about the possibility that Syria will embark on a bilateral settlement with Israel. What is the response to this talk?

[Khaddam] Syria's strategy calls for developing a comprehensive solution to all aspects of the Arab-Israeli conflict on all fronts.

[AL-HAWADITH] What is Syria's position on the Libyan issue and the West's incrimination of this Arab country?

[Khaddam] We support Libya, which has been the target of aggression because of its policy. Libya has been done a grave injustice. We have supported Libya, and we continue to support it.

[AL-HAWADITH] Plurality is a distinguished Syrian trait. Are there new steps in this regard, and is consideration being given to licensing new parties?

[Khaddam] The creation of parties is something dictated by numerous factors, the most important of which is the presence of people who express the wish to form a party. In addition to the front parties, there are other parties that have been formed and that are present in the arena. Syria has threefold the number of parties existing in Britain, fivefold the number in the United States, and fourfold the number in France.

[AL-HAWADITH] What is Syria's view of France and Europe and of their role in Arab issues?

[Khaddam] We hope that Europe will play an effective role in bringing peace to the region. We have tried, and we continue to try to encourage the Europeans to perform such a role. Of course, there are mutual European-Arab interests. It is in the interest of Europe and the Arab countries that good relations exist between these two blocs. We will continue to encourage the development of such relations.

[AL-HAWADITH] They are talking about a date for redeployment of the Syrian forces, i.e., their return to al-Biqa' and their departure from the other parts of Lebanon.

[Khaddam] Who is talking about this?

[AL-HAWADITH] The Lebanese. They say that the al-Ta'if Accord stipulates something of the sort.

[Khaddam] Who among the Lebanese talks about this?

[AL-HAWADITH] Many Lebanese, and I believe that you read the papers that talk about this.

[Khaddam] Lebanon is represented by its institutions, meaning the presidency, the Chamber of Deputies, and the government. To us, these are the authorities. To us, a politician residing in Paris and theorizing with others residing in France is not Lebanon.

[AL-HAWADITH] Let us talk about Paris and about those who reside there, i.e., Amin al-Jumayyil, General 'Awn, Doyen [Raymond] Iddih, and Dori Sham'un. What about Syria's relations with them and opinion of them?

[Khaddam] Syria is prepared to have good relations with any Lebanese if this Lebanese has good relations with his country, Lebanon.

[AL-HAWADITH] So there is no definite date for redeployment of the Syrian Army?

[Khaddam] To begin, Syrian-Lebanese relations are governed by the [fraternity and cooperation] treaty. The Syrian forces in Lebanon are a Lebanese need, not a Syrian need.

The al-Ta'if Accord must be read carefully. It is written in clear Arabic, and it says that "the two governments shall agree to redeploy the Syrian forces two years after political reforms are approved constitutionally...."

If we examine the political reforms, we find that there are some provisions that have not been approved, either constitutionally or unconstitutionally.

The two years start when it is decided to abolish political sectarianism constitutionally.

This is why we have encouraged the Lebanese Government and helped and supported it to hold elections. According to the al-Ta'if Accord, the Chamber of Deputies is entrusted to abolish sectarianism on the basis of equality. When the chamber adopts the constitutional resolutions and procedures to abolish sectarianism, the calculation of the two years begins.

If you are in a hurry to redeploy the Syrian Army, then you should rush to abolish sectarianism. Lebanon's problem is not a problem between Walid Junblatt and Amin al-Jumayyil or between Nabih Birri and Samir Ja'ja'. Lebanon's problem is in the existing sectarian political system that has left the country in a serious state of lawlessness.

Since Lebanon was created, the state has not established a Lebanese identity for its citizens. Rather, it established a sectarian identity for them. This is why the bond to the land has been weak and why any tremor afflicting Lebanon has made thousands of Lebanese leave their country. What is the reason for this?

The reason is the Lebanese political system, which has tied the citizen to the sect, not to the land. Therefore, we find that the abolition of sectarianism is fundamental and that the most significant content of al-Ta'if Accord is the provision calling for the abolition of political sectarianism.

If the system were nonsectarian, nobody would question the powers of the president, the prime minister, or the cabinet.

Why isn't the issue of powers raised in France, Italy, Egypt, Syria, or other countries? Because society and the political system are founded on a national basis and not a sectarian basis. When the system is sectarian, every sect will "grab" all it can grab for its own benefit.

[AL-HAWADITH] They say that the abolition of sectarianism is an abolition of the sect.

[Khaddam] The assurance demanded by some parties is not an assurance for sects but an assurance for individuals who exploit the sects.

Amin al-Jumayyil and 10 other Maronite presidents have ruled Lebanon, some of whom served the country and some who did more harm to the country and to the Maronites than others. What good does it do the Maronites if they are ruled by an unfit Maronite president? Such a president's negatives will reflect on his sect. The only assurance is national unity, which strengthens the feeling of belonging to the country.

There are three major sects in Lebanon now, and there are small sects. Where is the assurance for the small sects? Do we, in this case, open the door for them to turn to foreign countries to get protection? A government is required to protect its citizens. A government formed on a sectarian basis can protect nobody.

[AL-HAWADITH] It used to be considered a crime to even consider launching dialogue with Israel. In Anwar al-Sadat's days, we all condemned Anwar al-Sadat for his relations with Israel. Today, dialogue with Israel has become an ordinary thing sanctioned by most Arab countries. Have we, as Arabs, lost our struggle spirit and become defeatists or has the real situation on the ground changed?

[Khaddam] Today's reality is different with its essence and circumstances. We disagreed with al-Sadat because he followed the path of independent peace. We disagreed with him because we want comprehensive peace. When we agreed to Resolution 338, we agreed to peace.

We project the peace issue seriously, whereas Israel continues to project it in an unserious manner. Talks are being held within the framework of Resolution 242 to establish comprehensive and lasting peace, keeping in mind that this is not the first time that the Arabs and Israelis have sat together for discussions. If we backtrack to the 1949 truce committees, we would find that they consisted of an Arab side, an Israeli side, and a UN observer.

It is one thing to negotiate to achieve national objectives and another thing to capitulate and cede rights.

[AL-HAWADITH] You have exerted your good offices to reconcile Egypt and Sudan. Has this effort been fruitful?

[Khaddam] We have sensed a positive wish on the part of both Egypt and Sudan to end the problem existing between the two countries. Contacts are under way between them, and we hope that they will develop a solution.

[AL-HAWADITH] What about Turkey and the Euphrates River water? Have you reached an agreement with Turkey?

[Khaddam] We will carry on with the negotiations to develop a Syrian-Iraqi-Turkish agreement on this issue.

[AL-HAWADITH] Since you mentioned Iraq, what is your position toward it, and have there been new developments in this regard?

[Khaddam] There is no change in our position toward Iraq.

[AL-HAWADITH] It has been reported that Syria has harbored Alois Brunner, a Nazi, for 20 years, keeping in mind that Syria has denied this report. What is the true nature of this issue on which the international media are focusing?

[Khaddam] To my knowledge, this name does not exist in Syria, and its bearer has never come to Syria.

UNITED ARAB EMIRATES

Oil Output Estimated at 5 Billion Tons Annually

93AE0231A London AL-HAYAH in Arabic 19 Dec 92
p 11

[Text] Cairo—UAE [United Arab Emirates] Oil Minister Yusuf (Bin-'Amir) told AL-HAYAH that "oil prices will see a notable improvement during the next three months, due to the economic growth being experienced by the industrial countries and the onset of winter."

He estimated that over the next two years the UAE's oil output would be 5 million tons per annum and that the production capacity of the liquefied gas project would total 5 million tons per annum.

He stressed that oil relations between the Gulf Cooperation Council countries are good and based on ongoing cooperation between the six countries. He said the Gulf countries are keen on maintaining oil prices in world markets at reasonable averages that are not detrimental to their oil policies and international commitments, both inside and outside OPEC.

The UAE oil minister said that the Gulf countries are now studying a number of oil projects that would further their common interests. He said: "Future OPEC policy will be based on a strategy to support Arab oil cooperation, especially joint projects, chief among which is the construction of a dry dock in Algeria, on which an initial agreement has been reached, that will achieve a qualitative leap in Arab oil trade and transport and provide maritime fleet support."

Banks Report Gains Since Gulf War

93AE0231D London AL-HAYAH in Arabic 5 Jan 93
p 12

[Article by Shafiq al-Asadi]

[Text] Abu Dhabi—The Association of UAE [United Arab Emirate] Banks disclosed that nine of the 46 banks operating in the UAE experienced severe difficulties during 1990 and 1991 due to the effects of the Gulf crisis and other financial and economic circumstances.

The association, in a statement that it issued in late 1992, stated that, although the nine banks have been unable to publish their balances, the total balance of banks operating in the country declined by 8.34 percent and 15.87 percent during 1990 and 1991, respectively.

The association stated that the nine banks that did not issue their 1991 balances due to financial difficulties are International Commercial Bank, National Union Bank (formerly UAE Credit and Commerce), Trade and Financing Investment Bank, National Bank of al-Shariqah, United Arab Bank, National Bank of Kuwait, (al-Nilin) Bank, and the Omani national bank, United Bank, Ltd.

Banking sources told AL-HAYAH that two of the nine banks, namely [Trade and Financing] Investment Bank and the United Arab Bank, were able in late 1992 to publish their 1991 balances after signing an agreement with the Emirate of al-Shariqah, under which the latter is to settle debts to these two banks, in addition to two other banks, National Bank of al-Shariqah and Bank of al-Shariqah, Ltd.

The [Trade and Financing] Investment Bank published its 1991 balance two weeks ago, and the United Arab Bank published its balance yesterday.

The Association of UAE Banks stated that the total balance of banks operating in the UAE that published their balances, including 14 domestic banks and 23 foreign banks, dropped in 1991 by 8.34 percent, compared with 1990, to about 114.3 billion dirhams. It also dropped by 15.87 percent in 1990, compared with 1989, to 96.2 billion dirhams.

Banking sources told AL-HAYAH that the total balance of the UAE banks rose significantly to about 120 billion dirhams due to the return of capital from abroad after the Gulf war ended.

The association stated that Abu Dhabi National Bank ranked first in 1991 among the UAE banks in terms of total assets, loans, and clients' deposits, while National Bank of Dubayy was first in profits, which totaled 411.4 million dirhams.

The top 10 banks in the UAE, in terms of assets, are ranked as follows: National Bank of Abu Dhabi (25.5 billion dirhams); Commercial Bank of Dubayy (24.626 billion dirhams); International UAE Bank, Ltd. (11.1 billion dirhams); Abu Dhabi Commercial Bank (10.2 billion dirhams); Bank of Oman, Ltd. (9.7 billion dirhams); British Middle East Bank (5.8 billion dirhams); Arab Bank for Investment and Foreign Trade (4.522 billion dirhams); Dubayy Islamic Bank (4.044 billion dirhams); Middle East Bank, Ltd. (2.6 billion dirhams); and finally, (City Bank) (2.2 billion dirhams).

Abu Dhabi Bank ranked first in loans, with loans totaling about 9.5 billion dirhams at the end of 1991. It was followed by UAE International Bank, Ltd. (6.002 billion dirhams); Abu Dhabi Commercial Bank (5.4 billion

dirhams); Bank of Oman, Ltd. (5.06 billion dirhams); British Middle East Bank (3.57 billion dirhams); Dubayy Islamic Bank (3.4 billion dirhams); National Bank of Dubayy, Ltd. (1.848 billion dirhams); Middle East Bank, Ltd. (1.840 billion dirhams); Standard Charter Bank (1.253 billion dirhams); and the Arab Bank for Investment and Foreign Trade (1.229 billion dirhams).

The National Bank of Abu Dhabi also ranked first in client deposits, with a total of 20.064 billion dirhams. It was followed by National Bank of Dubayy, Ltd. (9.8 billion dirhams); UAE International Bank, Ltd. (8.3 billion dirhams); Bank of Oman, Ltd. (6.436 billion dirhams); Abu Dhabi Commercial Bank (6.412 billion dirhams); British Middle East Bank (5.082 billion dirhams); Islamic Bank of Dubayy (3.404 billion dirhams); Middle East Bank, Ltd. (2.5 billion dirhams); Dubayy Commercial Bank, Ltd. (1.655 billion dirhams); and the Arab Bank, Ltd. (1.376 billion dirhams).

The Association of UAE Banks also dealt with the banks' capital adequacy ratios (the ratio of working capital to total assets). It stated that it was guided by the capital adequacy ratio set by the Basel Commission in calculating the capital adequacy ratio of the banks operating in the UAE. It added that this calculation will be reviewed in subsequent statements based on foundations decided by the Central Bank of the UAE.

The Central Bank has formed a committee to establish the foundations of capital adequacy in UAE banks. The committee is expected to submit its report in early 1993, so that all banks in the UAE will conform with the Basel Commission's resolutions on capital adequacy.

According to the association's statement, the National Bank of Dubayy was ranked first with a capital adequacy ratio of 110.96 percent. It was followed by the Arab-African Bank (65.30 percent); the National Umm-al-Qaywayn Bank (63.91 percent); the National Bank of Bahrain (53.73 percent); the First Gulf Bank (51.69 percent); the Royal Bank of Canada (49.3 percent); Janata Bank (49.17 percent); Ra's al-Khaymah National Bank (41.59 percent); al-Rafidayn Bank (40.42 percent); and Bank of Cairo (26.23 percent). The (Grenaldes) Bank and the British Middle East Bank ranked lowest. Both had a capital adequacy ratio of 4.28 percent.

Company Supports Auto Assembly in Jabal 'Ali

93AE0231B London AL-HAYAH in Arabic 23 Dec 92
p 9

[Text] Dubayy—A commercial group in the UAE [United Arab Emirates] has announced that it is now attempting to revive an auto assembly project in the free zone in Jabal 'Ali to supply the growing demand for imported cars in the UAE, the Gulf, and Asian markets.

Khalaf al-Habtur, chairman of the Dubayy based al-Habtur Group, whose annual business totals 1 billion dirhams, said: "The minimum investment needed to

build an auto assembly plant in the Jabal 'Ali free zone exceeds \$80 million (300 million dirhams).

He added that the group is seeking to launch an auto parts assembly project in the UAE in the next two or three years under the supervision of a famous international automaker that is willing to transfer advanced technology in this field to the UAE. He indicated that it the automaker may be Japanese or European.

Al-Habtur, who has a large number of car dealerships that sell well-known makes, e.g., the Japanese Mitsubishi, the British Rolls Royce, the Swedish Saab, and others, said that the initial economic feasibility study of the project was performed some time ago, but the project was set aside for a period and only recently reevaluated as to its economic feasibility, taking several pertinent changes into account.

Al-Habtur did not cite many details regarding the production capacity of the project or the company to be granted a concession to produce its models in the UAE. However, he said, "the vehicles produced at Jabal 'Ali will be marketed in the UAE, the Gulf, and a number of Asian countries, such as India and Pakistan. The cars might also be exported to different European countries."

Al-Habtur called on private companies in the UAE to participate in this vital project, which would benefit the economy of the UAE and the Gulf.

He said: "One commercial company cannot implement this large project by itself. It requires major investments. The private sector needs to join efforts to launch such major projects. Some businessmen in the UAE have expressed willingness to participate in this project, which is considered the first of its kind in the Gulf region."

Al-Habtur called on a major businessman in the state to convert ownership of private national companies to public ownership by offering the shares of these companies to the public to increase their capital, expand their activities, and strengthen their competitiveness.

He said that the time has come for private national companies that have successfully established a presence in domestic markets over the course of previous years to expand into regional and international markets and to expand their activities in construction, oil, petrochemicals, hotels, and other areas.

He added that this expansion requires experienced management and a large amount of capital, which private companies cannot provide alone. They need a capable board of directors to make the appropriate decision and effective cooperation from national experts and cadres who must be given many incentives before they will lend their skills to this project.

Al-Habtur said that the future success of private companies will depend on their ability to compete with large private companies regionally and internationally, especially multinational companies, which have come to control international economies. He emphasized that

national companies that are operating in the same field should merge to form larger companies.

Available figures and statistics indicate that the Gulf markets can absorb about 350,000 cars per year, totaling between \$4 billion and \$5 billion per year. Saudi Arabia is the largest Gulf importer of cars, followed by the UAE.

In a study on the assembly of cars in the UAE, the Dubayy Chamber of Commerce and Industry states that a domestic car industry will not be feasible under the best of circumstances unless it produces a well-known make after obtaining—through purchase or partnership—the rights to produce it from Western automakers, similar to the assembly of a French model in Algeria or an Italian model in Egypt. However, local conditions do not favor such an arrangement in the UAE. The UAE lacks three important factors that attracted foreign car makers to Algeria and Egypt: cheap skilled labor with experience and skill in this highly specialized industry; markets that can absorb all of the domestic auto output, given that it would be prohibited to export this output because it would affect world prices; and the local availability of a high percentage of raw materials or intermediate products needed by the auto industry at prices that are lower than the current rate on the international market.

The local absence of these critical factors will not entice international car industries to risk assembly in the UAE, especially given that the Southeast Asian countries offer a much more appropriate alternative nearby.

The chamber study adds: "Because the citizenry lacks the required experience and skills, this industry will have to import skilled, trained labor from abroad, which will increase production costs and prices to the point of canceling profits from the project."

The study further states that recent developments seen and expected to be seen by the European countries do not augur well for the possibility of a European car company being interested in cooperating to establish a domestic car industry in any form. The reason is that European unification in the coming year will create a type of economic cartel that will combine European car companies and lead them to reduce the presence of their factories outside Europe. In particular, changes in Eastern Europe and the socialist countries will make available trained, skilled laborers who will work for low wages in the auto industries. The study notes that Western European capital has already begun to flow to Eastern Europe for more profitable investment based on the favorable local conditions there, i.e., market capacity, the supply of inexpensive trained labor, and the presence of intermediate inputs and raw materials.

ADGAS To Sell LNG to Japan Over 25 Years

93AE0231C London AL-SHARQ AL-AWSAT in Arabic
4 Jan 93 p 9

[Article by 'Abd-al-'Aziz al-Sadiqi]

[Text] Abu Dhabi—In several days, Abu Dhabi will host a new round of negotiations between the Abu Dhabi Gas Liquefaction Company, ADGAS, and the Tokyo Power Company, TOPCO, to reach an agreement on the details of the sale of ADGAS liquefied gas to TOPCO over the next 25 years.

The ADGAS negotiating team, headed by the deputy chairman of the company's board, Idris Habbush, held a meeting with the Japanese side last October. At that time, the two parties signed an agreement under which ADGAS will sell TOPCO its entire liquified natural gas [LNG] output after construction is finished on ADGAS's third production line at its LNG plant on Das Island, which will double its output to 5 million tons per year.

Implementation of this agreement will begin in April 1994, after the construction of the above-mentioned line (which will cost \$1 billion), and four LNG tankers (which will cost a total of \$600 million) that can be accommodated by TOPCO's Tokyo port.

ADGAS sources said that the new production line is 60 percent finished and that the bulk of the project, considered the largest of its type in the world, will be finished during 1993.

WESTERN SAHARA

Visit Inside Sahrawi Camps Detailed

Algiers *LE SOIR D'ALGERIE* in French 14 Jan 93 p 5

[Article by A. Toumiat: "Self-Determination Comes First!"—first paragraph is *LE SOIR D'ALGERIE* introduction]

[Text] The level of organization at the refugee camps in Aousserd, about 30 km from Tindouf, strikes the observer as a reflection of not only the Saharan people's sense of discipline, but also their mobilization and determination to pursue their struggle to the end.

These are a people who have been driven far from their lands, but they are extraordinarily serene and optimistic in their outlook. "It is only a matter of time before we achieve self-determination," we were told by many young Sahrawis.

Tindouf—On the eve of a visit by Salim Ahmed Salim, general secretary of the Organization of African Unity (OAU), an unusually lively atmosphere already pervades the refugee camps. The Aousserd region, divided into four districts, is home to a sedentary population of 36,000 people. Undeterred by the immensity of the desert, on this Monday they have flocked to the soccer stadium where the local team is engaged in a play-off with a young Italian team. Present in large numbers, the spectators are there to cheer for their team in an atmosphere of brotherliness.

Women and children are present in the largest numbers. A few groups of Westerners—Englishmen, Frenchmen,

Spaniards, Swedes, and Italians associated with humanitarian organizations—mingle with the large crowd. The Westerners' affection for the Saharan people is evident and their presence among them is very significant. The Westerners gladly welcome the swarms of children that surround a good number of them and even join in playing games with the children. Everyone seems to be enjoying themselves and one would hardly suspect that these people are far from their borders. Children running and dancing in bare feet are photographed by an English tourist who makes no secret of her convictions. "More urgently than before," she says, "the Saharan question cries out for solution." Her association, Rainbow Rovers, works to raise public awareness of the tragic situation of the Sahrawis.

Still, it must be noted, the Sahrawis have retained the joviality and openmindedness that is characteristic of them. The mixing of the sexes—a taboo in certain areas of the world that claim to be emancipated—has a place in Saharan social life. It is a change brought about by the war of liberation, we were told by our middle-aged hostess over a first cup of tea. "Before that, women would withdraw if men were present. If the Revolution to free the Sahara had not taken place, I would not be drinking tea with you now," she added with a touch of humor. In a spacious tent fragrant with incense, El Hadja spoke at length about marriage customs. Here, a young girl may marry at the age of 16, although in the not-too-distant past marriage could occur at the age of 10 (with parental consent, of course). They are a different people with different customs. More striking still is the celebration traditionally held by a woman after being repudiated. People dance and sing for three days—hardly a grim view of divorce. It was nearly nightfall when we began our last cup of tea and soon it would be time to leave.

En route to our lodgings, I thought back on the words of a 20-year-old soldier. I had asked him what might come of the referendum, and he had replied, with a youthful smile, "If we did not believe that our cause (self-determination) is just, we would never have taken up the battle."

RASD Military Said Intact

93AF0369B Algiers *LE SOIR D'ALGERIE* in French 17 Jan 93 p 5

[Interview with RASD (Saharan Democratic Arab Republic) Defense Minister Mohamed Lamine Bouhali, by Ahmed Toumiat; place and date not given]

[Text] A visit to the refugee camps by the general secretary of the Organization of Africa Unity (OAU) has revived the debate over self-determination under the UN peace plan. The defense minister of the Saharan Democratic Arab Republic (RASD), a leading figure in this decisive phase, agreed to share his thoughts with *LE SOIR D'ALGERIE*.

In the interview below, he spoke of "Morocco's bad faith toward the peace process," "the less-than-clear position of the organization of the United Nations and the determination of his people to strive for a peaceful solution."

[LE SOIR D'ALGERIE] How do you evaluate the visit by the OAU's general secretary?

[Bouhali] It is positive. His visit is part of the peace process, which indicates good will on the part of the pan-African organization to see the plan enacted. In addition, Mr. Salim Ahmed Salim has been following the Saharan question for a long time. He came to gain a first-hand view of the reality in the RASD, its institutions, and the Sahrawi people. In his own words, he was impressed by the determination of the Sahrawis to implement the peace plan for self-determination.

[LE SOIR D'ALGERIE] Can it be said what is preventing the peace process from going forward?

[Bouhali] You must be aware of the fact that at the outset, Morocco held up the peace plan by sending its troops across the wall and bombing civilians in Tifariti and Bir Lahlou only a few days before the cease-fire was to go into effect. Morocco also refused to place its troops under the supervision of the UN mission as required by the plan. It even went so far as to tie up supplies destined for the United Nations Mission for the Organization of a Referendum in Western Sahara (MINURSO) in Moroccan ports. These various obstacles caused considerable delay in the implementation of the plan. The Saharan People's Liberation Army (ALPS), on the other hand, remains confined to six areas as stipulated in the UN texts.

[LE SOIR D'ALGERIE] Could that explain the current position of the United Nations on the Saharan question?

[Bouhali] As you must already know, the king of Morocco has moved massive numbers of Moroccans into the Western Sahara in advance of the referendum. Coming on top of the other obstacles I have just mentioned, that has caused the United Nations to take a very unclear position. Every time the United Nations encounters difficulty with Morocco, it asks us for further concessions. Voter eligibility is another problem that the United Nations should study very objectively. Morocco agreed to the peace plan, then went back on its agreement by bringing up an additional list of 100,000 persons—Moroccans—said to be ready to take part in the referendum. We have made many concessions because of the UN's wavering, but there is a limit to everything.

[LE SOIR D'ALGERIE] The king of Morocco asserts that the Sahrawi army has lost all motivation because of the duration of the cease-fire. Is that true?

[Bouhali] Contrary to what the king of Morocco pretends to believe, our troops are still vigilant and determined more than ever to go back into battle.

Morocco is trying to draw out the truce so as to undermine the morale of our soldiers, but nothing of the kind is happening in the field. The motto of the Saharan People's Liberation Army (ALPS) is—and will be—"Our homeland or martyrdom." If you could talk to Sahrawi soldiers in the military districts, you would understand why.

The military capabilities of the ALPS are intact. The discipline of our troops does not mean that the cease-fire is an escape for them. The peace plan is a historic opportunity for a peaceful settlement of the question, but the king of Morocco refuses to seize that opportunity.

[LE SOIR D'ALGERIE] The last word....

[Bouhali] The Sahrawi people deeply hope to see the peace plan enacted. RASD officials are convinced of that, which further demonstrates their commitment to the plan. The king of Morocco is seriously mistaken about the state of mind of our troops and our people. He is lying not only to himself but also to his own people and his own army, which he is deliberately leading up the wrong path. I can tell you—and this is not just a statement for media consumption—that if the fighting were to resume, which we hope will not happen because we do not want any more bloodshed, we would inflict serious damage on the king's troops. The Moroccan soldiers are well aware of that.

REPUBLIC OF YEMEN

Unification Challenges, Conflicts Analyzed

92AE0305A *Al-Shariqah AL-KHALIJ in Arabic* 22-24
Nov 92

[Articles by Shakir al-Jawhari in Sanaa]

[22 Nov p 9]

[Text] Nobody thought that the path of the Yemeni unity would go as smooth as silk. The nature of the matter is different from that, especially because what is happening is the unification of two parts of one country that had bad blood between them. The two parts went through two bloody wars in 1972 and 1979. Each part embraced, supported, trained, and armed the opponents of the regime in the other parts.

Until the minute before the declaration of unity, the southern part of Yemen considered itself a socialist country, while the northern part presented itself as a country with a free capitalist system. The fact of the matter, as presented by Jarallah 'Umar, a member of the political bureau and secretary general of the Central Committee of the Yemeni Socialist Party, is that the South never had socialism and the North never had capitalism. When unity was declared, backwardness was unified in both parts.

Added to the backwardness is issue of power sharing between two regimes that were not outside the tribal structure of Yemen, as proposed by Yahya al-'Arashi, minister of state for Cabinet Affairs and a member of the permanent committee of the General People's Congress, it was inevitable for many elements of this agreement to appear and blemish the path of unity, in spite of all the purity that was talked about during the time of unification, and it was held up as the model that should be followed all over the Arab world. When we take into account the obstacles and internal disagreements that negatively affected the path toward unity, we should also consider the external elements that interact with them and, in some instances, strengthen them.

There are many challenges to unification. We will concentrate first on the domestic challenges. Then we will talk about the security challenge and the disagreements and military challenges. Then we will talk about the external challenges, especially the border challenges.

Domestic Challenges

One of the most significant differences between the first and second anniversaries of Yemeni unity is not only the absence of celebrations, but the absence of the secretary general of the Yemeni Socialist Party, who is also the vice president of the presidential council in Sanaa.

From Adan, 'Ali Salim al-Bid voiced some criticism of the unified government's performance. President 'Ali 'Abdallah Salih made a rebuttal in a televised press conference.

All of this coincided with unstable security and an assassination that targeted not only the elements but the leaders of the Yemeni Socialist Party including Salih Muhammad, assistant secretary general and a member of the Presidential Council; Haydar Abu-Bakr al-'Attas, a member of the Political Bureau and the prime minister, whose brother was assassinated; 'Abd-al-Wasi' Salim, minister of justice; and before them Muhammad Ahmad al-Asbahi, secretary of the General Permanent Secretariat of the Peoples General Congress.

When the exchange of statements coincides with the above-mentioned security status and the delay in the signing of the pact between the Yemeni Socialist Party and the People's General Congress, the situation would not be comfortable for anybody concerned with the issue of Yemen and maintaining the unity and democratic path that accompanies it.

One of the factors that alleviates the sources of concern is that the unification is between two regions that experienced two bloody wars in 1972 and 1979, in addition to numerous conflicts that could have triggered a third war but were contained in time—in some cases, at the 11th hour, such as the incidents that took place in the south after the events of 13 January 1986 and the conflict over the area of the oil project in 1988. Each war between the two regions ended with a new agreement for unity. It is

the scrimmage that could have led to the third war that was the ultimate reason for unification via the joint oil project.

The comforting factor then is the Yemenis' understanding that unity is their inevitable fate.

Added to this is the understanding that any evaluation of the joint efforts of the two parties should not be looked at in isolation from the circumstances in Yemen two years ago. Otherwise, it would be incomplete and removed from the general trend.

This is the first such experience in modern history between two parties with dissimilar intellectual trends, but it ended in the interests of the people and the country. The difficulties that arose and the complications that grew to the extent that they sometimes impeded the harmony between the partners were due to the lack of any similar experience from which to learn. No contemporary political power has faced a similar event that confronted it with national responsibilities and all of these complications.

The rationality that characterizes the speech of Salim Salih Muhammad, Assistant Secretary General and member of the Presidential Council, represents a ray of light that we tried to make into a band of light to help us do away with the legitimate concerns. Sa'id al-Hakimi, deputy speaker of parliament said "Unity did not come on a silk rug. It will never be like that. It came on a carpet of hearts. It realized a spiritual aspiration for every Yemeni. It came to wake up emotions that were hundreds of years old. The Yemenis, regardless of their differences, have always been looking for unity and worked to realize it."

Unity as an objective has been realized. The problem is in the method of interaction.

Some thought that unity would give them privileges or take away some of their burdens. This is a difficult matter.

Unity has been realized as an objective and aspiration for the people, who are very proud of it and hold it sacred. There are problems, however, especially in daily life. There is a mixture of two organizations and two blocs, with many conflicting schools of thought. Each of them thinks that he has a better theory than the others. When they get together, they find that there is not much difference between them and that the experience of the Socialist Party did not go as far as they thought, although we also did not go backward or into another galaxy.

Ministers Disagree

The current thinking is that unification has taken place, and there is no going back. Any disagreement can be settled.

We could feel this rationalism through a legitimate concern that was presented by Yahya al-'Arashi, minister

of state for cabinet affairs and a member of the permanent committee of the People's General Congress. Everybody acknowledges that al-'Arashi played a major role in achieving unity, not only through his position as a former minister for unity affairs in the South, but also through his character and closeness to the hearts and minds of his former colleagues in the South, who view him as a role model for Yemeni patriotism. This man continued to work silently for years, during which time he conveyed only the positive sides and kept any negative aspects to himself. He continued doing so until unity was realized. Subsequently, his evaluation of the experience after two years is a respectable one.

[Al-Jawhari] Do you have any concerns about unity, and how optimistic are you?

[Al-'Arashi] I am concerned about anything that might harm the unification, and I am particularly concerned because time is passing without decisions made on many things.

There is a large burden represented in the transfer from the management during the pre-unification stage to the management during unification. It is a huge burden, and Yemen is honored to take it on, especially because it implies multilateralism in the political and party arenas. This task should coincide with laying the foundation for the modern state in order to protect our gains.

A strong central government is capable of protecting these gains and represents the safety valve against any violation.

I think its high time to benefit from our experience during the past two years and that the institutions should take their natural positions within the framework of safeguarding the constitution as a very important safety valve.

Safeguarding the constitution and the institutions and building a modern state that is capable of achieving the objectives of our country shortens our road and enables the ship of unity to reach safe shores.

We all have to monitor anything related to corruption and negligence in order to eliminate them. Citizens will support the institutions of the unified state as they realize his life goals, such as health, education, economic stability, security, etc.

We would like the established parties to compete in the field of reform and building whatever is good for the country, rather than be preoccupied by competing among themselves. I say that while acknowledging that we are still being trained for democracy and dealing with the new system. We also have to be trained to compete for building a modern state that is guided two criteria, efficiency and devotion. When we learn that, we will be much better off. [end al-'Arashi]

Frankly, I believe that the most respectable aspect of al-'Arashi's comments is not discarding the fact that he has been away from political action for more than a year

and half, as we learned from sources that respect him in the Socialist Yemeni Party. But the fact that he left his position and submitted a justified resignation that was not acceptable/ His resignation was due to a disagreement over the method of working with the Prime Minister Haydar Abu-Bakr al-'Attas. Instead of losing his balance, as is the case in similar situations in other countries, he became more objective and rational.

In Yemen, there are two cases that are similar cases to that of Yahya al-'Arashi. The second case is that of Rashid Muhammad Thabit, a member of the Central Committee of the Yemeni Socialist Party and minister of state for cabinet affairs. He also submitted his resignation and stopped going to work for reasons related to his incompatibility with the prime minister. It is worth noting that Rashid Thabit is a copy of Yahya al-'Arashi in the South. He also participated with the same purity and devotion in bringing about unity through his former position as a minister of unity affairs.

The third man who submitted his resignation and also stopped working due to a disagreement with the prime minister is Mujahid Abu-Shawarib, deputy prime minister and member of the regional leadership of the Ba'th Party in Yemen. He established a long history during the fight between the Royalists and the Republicans in the disastrous years that followed the revolution of 26 September.

These resignations do not necessarily mean, in the opinion of the author, a deficiency in the prime minister's character as much as they emphasize the necessity of the existence of friction that is not just among the representatives of the two parties that share power and not just between the representatives of the northern and the southern governorates.

Rashid Muhammad Thabit is a member of the Central Committee of the Yemeni Socialist Party. He is from the South. Mujahid Abu-Shawarib is from the North and is a member of the Ba'th Party. Yahya al-'Arashi is well-respected by the leaders of the Yemeni Socialist Party, according to Salim Salih Muhammad, assistant secretary general of the party and Jarallah 'Umar, secretary of the Central Committee for Political Affairs, as well as many other leaders.

I summarized this situation with the following question to President 'Ali 'Abdallah Salih:

[Al-Jawhari] Your Excellency, there are two committees to settle the disagreements within the parliament and the cabinet. These committees consist of the chairman and vice chairman of each of these two bodies. In spite of this, I know that there are three ministers who submitted their resignations because of the inability to solve the problems that faced them. They are now performing their duties. How can we solve this situation?

[Salih] From time to time there will be disagreement between a minister and his deputy. This is why the Presidential Council has entrusted the prime minister,

his deputy, the speaker of the parliament, and his deputy to settle any disagreements that might arise among the officials. If they are unable to settle a disagreement, the Presidential Council takes action. In fact, the Presidential Council has informed the government that it should shoulder its responsibilities, and, in particular, the prime minister, his deputy, the speaker of the parliament, and his deputy should settle any disagreements that arise among the members of the parliament or among the ministers or their deputies.

Jarallah 'Umar, secretary of the Central Committee for Political Affairs, presented an objective analysis to the nature of the disagreements or the inevitable friction when he said: "It is difficult to identify the points of disagreement. What I would like to say is that from the objective and the methodological standpoints, the disagreements have decreased to a great extent. We now have a joint program, which is the government program for reform. It is a program for both the Socialist Party and the People's General Congress. It provides a practical basis for the coalition. Yet, disagreements may arise in some cases due to the political and intellectual heritage and differences in personal experiences or in dealing with day-to-day issues or differences of opinion.

The Vice President's Anger

Matters developed to such an extent that the secretary general of the Socialist Party and the vice president of the Presidential Council remained in Aden for a long period before and after the second anniversary of unification and away from Sanaa during the celebrations. Thus, he drew a picture that was different from that of the first anniversary, when he participated in the celebrations, which we did not have at the second anniversary, and also in inaugurating numerous projects in different governates. His absence continued after 26 September. He also did not attend the celebrations of the anniversary of the revolution in Sanaa.

[Al-Jawhari] To what extent could we say that the vice president's remaining in Aden and his absence from the anniversary celebration in Sanaa is a kind of anger or objection to something?

[Salih] The vice president went to Aden for a private visit and will be back in a couple of days.

That was the answer we got from the president, but the vice president's return was delayed. The following is part of conversation that I had with 'Abd-al-'Aziz 'Abd-al-Ghani, a member of the Presidential Council and assistant secretary general of the People's General Congress. The conversation sheds light on the method of interaction during the vice president's absence and other daily friction.

[Al-Jawhari] What are the reasons behind the vice president's anger, and when will he come back to Sanaa?

['Abd-al-Ghani] He went to Aden just like anybody else travels within the republic. His trip does not mean that

he is angry with Sanaa and that he has moved to Aden. You might have heard different interpretations, but we consider his going to Aden to be just like the travels of any member of the Presidential Council or any other official to any area in Yemen.

[Al-Jawhari] Isn't it strange that he was not in Sanaa on the anniversary of unification?

['Abd-al-Ghani] There were no celebrations. He was only absent on the day of the anniversary.

[Al-Jawhari] What mechanism will be used to contain any disagreement that might arise? I think that we can expect many disagreements because the process of reconstruction is not an easy task, and we should expect more disagreements than those that arise in day-to-day activities.

['Abd-al-Ghani] We have a committee for coordination between the party and the Congress. It meets periodically to consider any issues that are submitted to it and to attempt to solve these issues as soon as possible. If we need another method of settling disagreements between the Congress and the Party or to contain these problems, we can resort to other measures.

We currently have a committee that is presided over by Salim Salih from the party and 'Abd-al-Karim al-'Irani from the Congress, and it does a very good job.

[Al-Jawhari] What are the most important disagreements that the committee has solved?

['Abd-al-Ghani] It has solved many problems. It meets in a quasi-regular fashion to consider any issues submitted to it either by the party or by the Congress or any other problems.

We formulated points of understanding that we called the points to enhance the trust between the Congress and the party. The problems that arise within the government are being solved by a committee that consists of the prime minister and his first deputy. There is also another parliamentary committee that consists of the speaker and his deputy. These committees have full authority to decide the issues submitted to them.

Jarallah 'Umar implicitly conceded that there is something that angered the secretary general. He said: "Of course there are differences of opinion. We represent a leadership of a new country that is made up of two parties. Democracy and coalition are new experiences. Sometimes there are problems, and sometimes there are disagreements, which we solve and which we hope to be able to continue to solve in such a manner. The secretary general of the Yemeni Socialist Party, 'Ali Salim al-Bidh, criticized some people in his speech to the special seminar on the national program for reconstruction and reform that was organized in Aden by 'Abdallah Badhib Institute within the framework of the celebration of the second anniversary of unification.

From the start, we noticed that the speech was not well prepared and was delivered in the dialect that is very close to the tribal dialect. This means that he was concentrating on addressing larger sectors of Yemeni society. The speech included a considerable amount of honesty and shouldering the responsibility for some mistakes. In addition, the ability of Mr. al-Bidh to address both the mind and the emotions in such a way convinced the audience of the speaker's innocence.

That is why the vice president's speech was greatly appreciated by the Yemeni people and was the talk of the town for several days afterward. It was broadcast both from Sanaa and Aden, and the text of the speech was published by two newspapers.

The highlights of the secretary general's speech are as follows:

- The admission that there is a gap between the theory and practice of the national program for reform that was adopted by the bipartisan government and the implementation of this program.
- The admission that there has been some disagreement between the party and the Congress.
- He emphasized not avoiding responsibility for the shortcomings that took place.
- He mentioned the inability to keep quiet regarding more mistakes and negligence.
- The need to abide by unification.
- The necessity of informing the people of any disagreement that might take place.
- He called for a general national conference to discuss and evaluate the unification experience that should be attended by all of the Yemeni parties and political powers.

[23 Nov p 9]

[Text] The absence of 'Ali Salim al-Bidh during the unification ceremonies provoked many questions. We provided several explanations, but he himself presented well-thought interpretations in a speech delivered in a seminar on the national program for reconstruction and reform that took place in Aden. He presented a new method to manage national undertakings and to organize the relationship with the General People's Congress.

He began his speech by affirming that the seminar dealt with a sensitive and important topic related to the development of the Yemeni society and building the state of unity. He said: "This is a sensitive and important topic, and I would like to concentrate on the practical aspect, also stressing the importance of the theoretical side. The most important action to be taken is to translate the slogans and the programs into concrete action."

He added: "The programs of reform and comprehensive restructuring approved by the parliament and presented by the government should transform to the field of application."

The secretary general acknowledged that there is a problem in the method by which the program could be applied and by which the people could trust in the possibility of its application. He said: "As a document, and as the bare minimum to achieve agreement in the coalition of authority, we believe that its importance is not just its documentation. The importance lies in its implementation."

He acknowledged that "the issue of theory and practice is the main problem in the Arab world and in the developing countries, in general. We talk a lot, but we do not do much in most fields."

Thus we can conclude that the gap between theory and practice is not the responsibility of one side of the authority in Yemen. It is a general characteristic in Arab countries and in developing countries. The secretary general hopes that the serious security procedures taken by the government to combat assassination attempts will be a new, comprehensive program that will be extended to all aspects. According to him there are "security procedures being taken after matters have become complicated, but so far they are characterized by a certain amount of seriousness."

More specifically, he wants these security procedures to serve as an approach toward reforming management, education, health, and price controls. The reform should extend to all aspects of life in a comprehensive manner that mobilizes all of the available potential and enjoys the widest range of participation from the people and the authorities, in particular the parties, social organizations, and unions. We all have to participate in this issue.

Method of Confrontation

In his speech, the secretary general concentrated on the price hikes and the status of security, affirming that "security comes before faith." He also acknowledged that "we are indeed facing actual economic difficulties in building the new state and in building the new national defense, in joint work, democracy, and national alliance." He posed the question: "How can we deal with this?" He answered: "We came from the ranks of these people, and within these ranks there are those who are just like us, maybe even better than us. The country is passing through difficult and complicated circumstances. We are not afraid, but we are afraid of the method of confrontation. We are asking: Where shall we go when the going gets tough? We have to go back to the people and depend on them and work with them to confront the difficulties. We are not supposed to lock ourselves up or to get angry with each other, because there is nothing to get angry about."

On another topic, the secretary general said: "Since unification, we have agreed on many constants, namely unity, democracy, and the modernization of Yemen. We abide by unity and democracy, and we are going to build a modern Yemen and concede some of our leadership. We are going to work with our people for development, but we need the tools. We believe that the central circle

is building the unified state. We cannot not have justice and cannot have control over anything unless we build the modern state on the basis of the priorities of the previous experience."

He then asked: "What have we realized from the unification agreements and the assignments given to us since unification, especially because we only had a six month transitional period?"

He answered his own question with a proposal that was surprising, although it is in line with the general trend toward increasing popular participation in authority. For this purpose, a dialogue committee with the other parties has been established under the chairmanship of Salim Salih Muhammad, assistant secretary general of the Socialist Party. The element of surprise is represented by two points:

- The call to widen the scope of communication with the other parties to discuss and evaluate the unification experience and not to restrict discussions of the future relationship among these parties.
- This should be accomplished through a national conference, the recommendations of which would be binding. Thus, he proposes a practical formula to extend power-sharing to include other parties and political powers or to represent a practical approach to this extension.

While he concentrated on safeguarding the alliance with the General People's Congress, regardless of the legitimate differences, he affirmed that "we have to devote ourselves to the principle of unity and the priorities in order to achieve the best." After pointing to the Socialist Party to extend participation, he said: "We are called upon in the party and in parliament to submit an evaluation to the unification agreements and the efforts that we exerted. Whether we are convinced or not, we have to present it to the others. It would be appropriate to call for a national conference to present the charter of political action as a project and also to present a evaluation of what we have done so far and how are we going to act in the coming months before we move to constitutional legitimacy."

He justified this call by saying, "Yemen is in a very dangerous situation unless we are alert and mobilize all of the people and all of the devoted patriots who represent the overwhelming majority. The powers of evil and destruction and the enemies of the people are very limited in number, both at home and abroad. The people are watching, and we have to organize our ranks and strengthen our will instead of weakening it. We have always said that our will is strengthened by common denominators and by what the people agree upon, not by what one person wants."

He summarized his view by saying that the opinion of the majority and the common denominators are those that enhance our will and enable us to confront all of the difficulties. He said: "We are all willing to sacrifice our lives, not just our positions, if we have too. But people

want something concrete, such as seriousness. They want morality in their dealings. In other countries when somebody makes a mistakes, he submits his resignation without anybody asking for it."

Call for Resignation

In the light of this, we formed a question based on the vice president's speech, in addition to our own impressions about the state of affairs in the unified Yemen, and presented this question to President 'Ali Abdallah Salih.

[Al-Jawhari] The process of building unity is in fact the process of building the institutions of the unified state, the integration of ministries, and also the activation of production. In the name of brotherhood, I hope that you will accept a critical remark expressed by a visitor to Yemen who witnessed a lack of discipline and lack of adherence to office hours in many ministries. Maybe this is what prompted 'Ali Salim al-Bidh, vice president of the Presidential Council, to say what he said in his latest speech in Aden regarding the inability to accomplish much in the field of integrating the ministries. It seems that his viewpoint is more critical than yours.

[Salih] There was a system in the North part of the country that it had its own characteristics, and there was a system in the South that had its own characteristics, especially with regard to security procedures. After unification and the adoption of political multilateralism, we dissolved the political security system to keep pace with the principle of political multilateralism, which led to a slackness in the security organs after they were united. Each side is holding the other side responsible. We say that we are partners in all of the principal aspects of authority and in all of the state institutions. It is a joint responsibility, and nobody can clear himself from it.

Our brother the vice president mentioned some of these aspects and criticized the security and the state institutions, but we told him that he is also fully responsible because he is the vice president. The Socialist Party could be considered the main partner in the authority structure because it holds the positions of prime minister, speaker of parliament, and the Ministries of Defense, Oil, and Information, in addition to some essential government departments. Subsequently, dodging the responsibility is just like throwing the ball into the others' courts.

This is why I hinted at the latest press conference that those who could not continue the march should submit their resignations, whether they are members of the Presidential Council or the government. [end Salih]

Hinting about the prospect of the other side's resignation came up once more in my conversation with the president when I mentioned the resignation of the B'ath ministers in the unified Syrian-Egyptian Government in 1958. The president said: "Unity was not a high political decision. It was a response to the aspirations of the people and of all of the political powers in the Yemeni

arena. This guarantees its stability and continuity. Whoever wants to resign may do so, and whoever wants to stay is welcome."

The first time that the president talked about the resignation of others was during a televised press conference on 24 May 1992. He was asked about the calls for a national conference in which the two governing parties would participate, as well as the rest of the parties. He also was asked whether there were any fears about unity?

The president replied: "You covered the political speech on 22 May in which we explained the great steps that we took on the path toward integrating the different state institutions. When we united, we were well aware that we would face many difficulties in integrating the institutions and the two systems. Within the framework of political multilateralism, some issues and some events have been blown out of proportion. But we can assure you that most of the state institutions have been integrated, and only a small portion is left to be integrated. We are very satisfied with our democratic experience."

"Democracy is school in which we are constantly learning. The idea of a national conference is an old idea that appeared from just after the revolution until 1975. These calls took place when there was opposition in the national arena and, in particular, when there was division in our ranks. Such conferences were held, and decisions were made. These decisions were made by the political opposition to interfere in the affairs of the government. Now there is no reason for such a conference, particularly because we are supported by constitutional legitimacy, the Presidential Council, and the parliament. We have a constitution. There is no reason for a national conference, because the opposition has a right to oppose the government and to call upon the governing bodies to shoulder their responsibilities. The governing bodies have the right to address the constitutional institutions. If the Presidential Council is not capable of continuing on its path, let it submit its resignation to the parliament. We in the Congress and the Socialist Party are not the opposition. We are the rulers who choose the democratic alternative, and we have constitutional legitimacy."

"It is my understanding that the leadership represented in Congress and the Socialist Party has called for a dialogue with all of the political organizations during the month of Ramadan and has reached an agreement on the charter of the political action. We are thinking about having a round table meeting to ratify the charter. To achieve this, we have a committee under the chairmanship of Salim Salih Muhammad, a member of the Presidential Council, to receive the viewpoints of the rest of the political organizations and parties."

A Different Evaluation by the President

In fact, there is a difference in the between the Socialist Party's and the Congress's declared evaluations of the unified state's performance. President 'Ali 'Abdallah Salih is not dissatisfied with the performance.

He said: "We are very satisfied with what has been achieved since 22 May 1990 on the path of founding the new Yemeni state thanks to the efforts of all of the good people and the patriots and with the support of our brothers in the Arab world, who have a nationalist orientation, and some of our friends."

"I am sure Yemeni unification was met with huge popular support in the Arab world."

"As far as what we have achieved, it is certain that we are very satisfied with achieving unity and with what we have done so far in the field of integrating the institutions and organizations and unifying the legislation that replaced previous laws."

"This is a significant achievement that was realized in spite of many difficulties caused by the partition that lasted for many years and in spite of the poor mobilization that was taking place in both parts."

"We are very satisfied with our achievements, and I liken the unification process to a young child who does not know or understand what surrounds him. He may break whatever is around him without consciously knowing it, but as he continues to grow, he becomes more rational and starts to play a positive role, both personally and on the family level. Unity grows and develops with age."

The Egyptian-Syrian Unity

What surprised the observer is that those responsible for Yemeni unity did not study the failed Egyptian-Syrian experience of 1958 that resulted in separation in 1961 due to the inability to control two major factors, namely the Ba'th Party and 'Abd-al-Nasir.

President 'Ali 'Abdallah Salih replied to our remarks about the importance of studying the mistakes of that attempt at unity so that they would not be repeated.

[Salih] In fact neither I nor the majority of the Yemeni leadership studied the unity between Egypt and Syria intensively. We studied our own circumstances because we have our own experience.

Egypt and Syria are two countries. We are one people who were separated, so we have the characteristics of our experience with Yemen. We started from these characteristics, and we were able to peacefully realize Yemeni unity during the period that lasted from the revolution of 26 September 1962. We achieved that by means of continuous dialogue and discussions between all of the leaders who came to power, whether in Sanaa or Aden."

[Al-Jawhari] What I mean, Your Excellency, is that in 1958, unity was to a great extent between 'Abd-al-Nasir and the Ba'th Party. Early on, there were disagreements between the two parties. The Ba'th ministers resigned, and unity collapsed within three-and-a-half years. What I am talking about is the relationship between the two parties and whether you studied this relationship. Through my study of the documents that were agreed to

by the General People's Congress and the Yemeni Socialist Party, I found that there is a sustainable formula that is completely different from that of 1958.

The President gave an unexpected reply.

[Salih] You could say that the dialogue between the Socialist Party and the Congress was the basis for unity. The unification has very strong foundations. It was built objectively, on the basis of the principles of the Yemeni Revolution. Unity was not an ultimate political decision, but it was a response to the aspirations of the people and of all the political powers in Yemen. This guarantees stability and continuity. Whoever wants to resign may do so, and whoever wants to stay is welcome.

Unity brought about by a political decision that is imposed upon the people and the political power will definitely be exposed to setbacks. [end Salih]

Yahya al-'Arashi gave an answer that is quite close to president's, as far as differentiating between the two experiences. He did not rule out learning from the experiences of others, however. He said: "We cannot make a comparison between unifying a single country and the unification of two countries, from a geographical aspect or otherwise.

"Yemeni unification was inevitable because the Yemeni family was scattered between the two parts. Of course we have to learn from other experiences regardless of the differences, however.

"As for Yemeni unity, we were concentrating on how to reconcile the viewpoints in Aden and in Sanaa, the justification for each viewpoint, and the reasons for every proposal submitted by either side. At the time, we were exchanging proposals about how to achieve unity. These proposals included many alternatives, which we studied exhaustively. At the end, we formed a working group that studied all of the available alternatives. We felt that it was natural to disagree and to have different viewpoints. Had we tried to appease one another, we would have signed agreements that we would not enforce.

"This method enabled us to come to reasonable, rational, and acceptable formulas. We collected these ideas after numerous meetings at all levels, and they were submitted to the Yemeni summit that took place 30 November 1989 in Aden, where all of the alternatives were discussed. At that historical meeting, we opted for constitutional unity."

Muhammad Ahmad Sulayman, member of the Central Committee of the Yemeni Socialist Party and minister of housing, has another viewpoint. He said: "Whenever any Arab country discussed the issue of unity, the issue was not afforded full discussion and the required time and negotiations to realize it. We dealt with everything very emotionally either for or against it.

"For example, despite all our thinking about what took place during the Egyptian-Syrian unity of 1958, we never

thought to discuss the details of what took place before, during, and after the separation. We dealt with the incident on the basis of an absolute political reaction, that is, on the basis of the broad lines.

"We lamented the failure of the unification without dealing with what took place. As far as we are concerned, the criticism of 'Abd-al-Nasir at the Shatura Conference made the issue an emotional one. We forgot the reasons for the separation, and we neglected the 'Abd-al-Nasir's mistakes and the administrative, organizational, and financial mistakes of the unification.

"In fact, the Yemeni unity avoided, to a certain extent, the mistakes of the Syrian-Egyptian unity through an actual division of authority between the two parties that were governing both parts of Yemen and through the proposals and formulas presented by Iraqi President Saddam Husayn, who knew about the Syrian-Egyptian unity firsthand because he studied it as part of the Ba'th Party's experiences. He lived this experience because he was granted political asylum first in Syria and then in Egypt after his participation in the attempted assassination of then Iraqi Prime Minister 'Abd-al-Karim Qasim, after which Husayn fled the country.

[24 Nov p 11]

[Text] The surprise comes in the escalation of the wording of the speech by the member of the Presidential Council, who inquired: "Where do those who came to Sanaa think they can go?"

He continued his speech in the same tone of voice, saying "People may say that we live in mansions. Have a look for yourself at where I live. It is a rented apartment. The landlord threatens to evict me at any moment. I am looking for another place to live, but I cannot find one. Landlords are asking millions for rent. We do not have mansions or anything like that. We may have a small house. You will be able to see for yourself and count its rooms.

"They are attacking us, and we know what they own. We know what the ministers own, and we know what the department heads own. But we do not discuss this issue unless there is corruption. But if it was their right or if they got it through trade, then we are not going to blame anybody.

"That is why I say: 'Where do the people from Aden go to evaluate others?' Do they go to the street? Some say that it is over. Thank you. You were our guests, but the hospitality has ended.

"I came to my country with the same standards. The people who came from the South brought with them 75 percent of the Yemeni land. This is a fact that extremists have to realize, whether they are in the South or in the North. No one should try to act against unification and anyone who tries to make trouble for unification and the good, peace-loving—may I also add generous—Yemeni people.

"There are those who spoke poorly of Southerners, and now they are attaching themselves to this origin. This is a situation leads us to another because anyone who studies history well will find that the reasons for the past separations were the injustice and the centralized way of thinking that never went beyond the borders of Sanaa. People revolted and defeated the central state in Sanaa for these reasons, not because they are not Yemenis. We are originally from Saba' and Humayr.

"As a socialist party and as a national front, we unified 23 sultanates in the South before we unified the two parts of the country."

Daily Friction

This noticeable tension is due to the personal suffering of the Presidential Council member and is not detected with the same clarity in the analysis of Muhammad Ahmad Sulayman, who summarizes the daily friction that takes place between the two parties to the unity by saying: "We are two parts that have been reunited. There are positive aspects, because we have the same land, the same language, and the same customs. We are not separated by land or culture. What we did not take into consideration is what we have to do to maintain this unity.

"When we talked about integrating the ministries, we talked about the minister and his deputy, the two under secretaries of state, and the department head. We did not talk about the mentality of the system that underlines this integration. We are wrong to imagine that the people had the same level of awareness as the leadership and that this would facilitate everything. The fact is that the awareness of the people is different from that of the leadership, otherwise everybody would be a leader. When we talked about unity, we talked about integration. We wanted the minister to be from one part, his deputy from another, and one under secretary from each part. The general managers would be from both the North and the South in equal numbers, and the highest positions in the administration would be divided equally between the two parties. We did not talk about how people feel when one under secretary is from Aden and the other is from Sanaa. The administrative organ in the ministry has known and dealt with the Northern under secretary for many years, while it considers the under secretary from Aden to be an intruder. Subsequently, even when he wants something to be done, he does not know whom he should contact. This is in contrast to the previous under secretary, who has dealt with the ministry's staff for a long time and knows whom to contact to get things done.

"The result is that whenever the Southern under secretary wants something, he does not know whom to contact, which means that he needs a longer period of time than that required by the previous under secretary who knew how the ministry operated.

"This discrepancy in response has a psychological effect on the relationship between the two under secretaries.

The Southern under secretary may think that he is not welcome, while this is not actually the case.

"We should not disregard the fact that there are some elements whose interests were negatively affected with the expansion in the administrative system and who feel that the newcomer from the South came to take some of their authority. Subsequently, they behave in an irresponsible manner, which affects the psychology of the organization as a whole.

"In the Ministry of the Interior, for example, when an officer from the South comes to head a certain department in Sanaa, he does not know the people, the society, or how the department works, but his Northern deputy knows all of these things. He feels isolated, and such a feeling gradually becomes a conviction.

"I think that we need a sufficient period of time and a certain amount of flexibility and understanding. We came to the North within a framework of mobilization activities hostile to us as a system and even as individuals. This mobilization is still going on in the mosques where they say that the atheist Communists came to Sanaa to spread corruption.

Last year there was shortage of rainfall, and the people in the mosques spoke against us, saying that God had punished the land because of the unification with the Communists. Do you think that God is satisfied with the Communists this year? The people in the mosques spoke in an irrational manner.

There are also some personal interests. For example, an official who was director of a department and who had a government-issue car and who was replaced by a department head from the South became a deputy department head. This official would start to feel concerned about the car being taken away from him and about losing some of his fringe benefits, such as his office and gas for his car. Instead of sacrificing for the sake of unity and becoming flexible, he behaves in such a way as to upset those around him.

Housing Problems for Southerners

Not everybody who came from the South to the North after the unification has permanent housing or even a piece of land on which to build his house, even though unification started two years ago.

[Al-Jawhari] Who will solve these problems? Aren't these problems within the jurisdiction of the prime minister?

[Sulayman] No, he is not responsible. He came from the South, and he cannot issue orders to grant housing or land to Southerners.

The head of state gave his directives to the leadership, but there was much opposition from people who claimed to own land allocated to a Southern official. Administrative bureaucracy has postponed the enforcement of these decisions.

All of these problems have generated the feeling that the Southerners are still guests in Sanaa.

The dialogue continues as follows:

[Al-Jawhari] I heard that the landlord of Salim Salih Muhammad wants to evict him.

[Sulayman] These problems are due to the fact that when we came to Sanaa the dollar was equal to 12 riyals. Now it is equal to 30 riyals. We rented the houses for certain amounts of money, but now the landlords want double the rent to keep pace with the new rate of exchange, or we have to vacate the house.

In the South, we did not have such problems. The house you stay in your house forever because it is government property. There was a landlord-tenant law during the British occupation. According to this law, landlords cannot evict tenants. There are similar laws in Lebanon, Syria, Jordan, and other countries where you cannot evict a tenant without a court order that is supported by very sound reasons. It is different here because there is no such law. Any landlord can come to you tomorrow and double your rent. If you do not accept the new rent, he immediately evicts you and throws your belongings in the street while the police protects him.

As a result, the people who came from the South, where the system was stable, to the North, where there is no system or law, believe that this situation could generate disasters. This is why they started to send their families back to Aden, to enjoy stability.

I believe that if we are devoted and have good intentions and if we have the elements of awareness and stop the mobilization against those who come from the South, we will achieve stability in a much shorter period.

[Al-Jawhari] So there are economic considerations?

[Sulayman] There are economic and psychological considerations. In the long run, we can provide tens of thousands of houses, but it is impossible to provide them overnight, even if we had the money.

[Al-Jawhari] But you have to start.

[Sulayman] Yes, but we have not started yet.

Economic Factors

[Al-Jawhari] How long do you think it will take to find a solution?

[Sulayman] I think that what we need is political rapprochement. Through political rapprochement, we can realize a large number of unification steps, mainly system unification.

Some of our brothers who drive cars with Aden license plates think that this plate is the reason they have to go through routine inspections, but this is not true. There is the possibility that they have been targeted in some cases, because human nature may sometimes be evil.

When we have unified license plates for all cars, such a reason will not be valid anymore, and you will not be able to fabricate reasons.

[Al-Jawhari] What has delayed the standardization of license plates?

[Sulayman] The reasons are related to the formation of a new state and a preoccupation with external circumstances. Just three months after unification, the Gulf crisis began, leading to war between Iraq and the United States and the international coalition. Since then, the feelings, thoughts, and the national economy has been affected by the Gulf war. The emergency situation that coincided with the war was lifted on 19 May 1991, a full year after unification.

Due to the Gulf war, about 1 million Yemeni citizens, on whom we totally depended to supply foreign currency, returned. The majority of these people need support instead of being suppliers of foreign currency through their remittances.

[Al-Jawhari] Isn't it true that the people in the North blame the Southerners for the price increases?

[Sulayman] Yes, and this is due to the imbalance in the formula of supply and demand that has resulted from the influx of many people from Aden to Sanaa.

In addition, the government was supplying the foreign currency necessary to import the main commodities, but since the private sector took over importing, these commodities are very scarce.

Smuggling from Saudi Arabia was the base of the economy in the South. Now smuggling has ended, and it is important to realize that the smuggled commodities were being sold for lower prices, especially now that tariffs are being paid on smuggled goods and prices have gone up. Also, the exchange rate for riyals has been lowered because of the new economic circumstances. [end Sulayman]

Carelessness and Absenteeism of Parliament Members

In addition to the unexpected daily friction, there are some problems facing the unified state of Yemen. Some of these problems are the related to the nature of Third World societies, and some are related to the friction between the two governing parties. I will give you two examples. First, some members of parliament are not serious about their role in the legislation process. I witnessed this firsthand when I attended a parliamentary session during which 38 members discussed the articles of the Election Act. A quorum is 143 members.

In an attempt to explain these negative phenomena, President 'Ali 'Abdallah Salih said: "The reason for that might be the long parliamentary session. Attendance is better at the beginning of the session, but at the end, the members begin to return to their remote villages and governorates. Every member says to himself that it does not matter that he is absent because there are 300 other

members. The result is the significant absenteeism that you witnessed. I have asked our brothers in the parliament to follow the regulations related to attendance and hold members responsible."

Salim Salih Muhammad, a member of the Presidential Council, tried to explain that absenteeism includes members of the Yemeni Socialist Party. He said: "I do not consider this negligence. The problem is that the current parliamentary structure reflects the previous situation. In the South, members of parliament were members of the Presidential Council, and the ministers were all members, but they were not completely devoted to the parliament. This has an effect on the situation. Most of our members do not attend parliamentary sessions because they are in the cabinet or they are governors or members of the Consultative Council or other institutions or in the Army."

[Al-Jawhari] This is the council that passes the laws that determine the future.

[Muhammad] Of course, and this poses a problem to Brother Yasin Sa'id Nu'man, speaker of the House of Representatives, who is making every effort to have every member attend. This is a problem because no human being can work in more than one field.

Personally, I am a member in the Presidential Council, the Consultative Council, and the House of Representatives. We are quite ready to leave these positions so that other people can replace us, even if they are appointed.

[Al-Jawhari] The result may be that some laws that do not cater to your interests are passed.

[Muhammad] This is one of the issues that we are very concerned about, especially because there are laws that require attendance.

Sa'id al-Hakimi, deputy speaker of the parliament, justifies the poor attendance at the sessions by saying that I observed meetings at the end of the parliamentary session. He said: "We consider this sessions to be a continuation of the sessions in which we began to discuss any bill. Subsequently we take into account the quorum at the beginning of the discussions about a certain bill. When the discussion is complete and the bill is presented for voting, we also have to have the quorum."

Need To Improve Work of Parliament Members

These justifications did not prevent us from noticing that the parliamentary membership in general is not qualified to legislate, despite the presence of some qualified members. Some of the members are of a lower standard than those in the executive branch for which they legislate. Some of the laws that they promulgate do not keep pace with civilization.

[Al-Jawhari] How could we improve the performance of the parliament?

[Salih] We respect the will of the members of parliament, especially because it was elected after the integration of the two parliaments. We prefer not to interfere in their affairs, although we would prefer to have high-level parliament members. We have noticed that there are excellent individuals in the parliament and very prominent national, economic, political, cultural, and social personalities. The parliament includes people from all sectors of society. It is not correct to say that its level is lower than that of the executive branch. In the House of Representatives, there are very prominent politicians. [end Salih]

I had to ask the president the following question.

[Al-Jawhari] Your Excellency, there could be very high-level elements, as you have mentioned, but this is not the majority.

[Salih] These are the effective elements in the parliament. As is the case of the leadership in any country, there is always an effective element that leads the others. The effective minister is the one who leads his ministry, and the president, who enjoys special qualifications and characteristics, is the one who leads his country. What we are certain of is that there are effective leaders in the parliament.

[Al-Jawhari] Still, what do you think about having an American-style congress that monitors and guides the process of legislation?

[Salih] In fact, we are thinking of something along this line, and we are about to introduce political reforms to the Constitution, which may be approved before or after the coming elections. These reforms will include the establishment of a shura [consultative] council that will work with the parliament. It will have the jurisdiction of keeping the balance. This is my line of thinking for the future.

Ruling Parties Reach Understanding

93AE0254A London AL-HAYAH in Arabic 20 Dec 92 p 7

[Report from Sanaa by 'Abd-al-Rahman al-Haydari: "Two Ruling Parties Reach an Understanding"]

[Text] Political sources in Sanaa said yesterday that the two Yemeni ruling parties have crossed a major stumbling block to reconciliation when their four-man committee reached agreement on a formula for bilateral understanding.

The sources explained that the formula will be submitted to the leaders of the two parties—the General People's Congress, which is headed by Presidential Council Chairman General 'Abdallah Salih, and the Yemeni Socialist Party, which is headed by 'Ali Salim al-Bidh, secretary general of its Central Committee and vice chairman of the Presidential Council.

The four-man committee is composed of 'Abd-al-'Aziz 'Abd-al-Ghani, a member of the Presidential Council; Dr. 'Abd-al-Karim al-Iryani, minister of foreign affairs (representing the Congress Party); Yasin Sa'id Nu'man, speaker of the Chamber of Deputies; and engineer Haydar Abu-Bakr al-'Attas, the prime minister (representing the Socialist Party).

Meanwhile, the "Unity and Peace" Conference opened Sunday in al-Thawrah City. Committees discussed a number of papers presented to the conference and submitted some of them to the participants for their ratification. The papers dealt with such subjects as security, elections, political turmoil and its causes, threats to peace and unity, education and culture, information, and social and economic issues. The committees will resume their meetings today, and the conference is expected to issue its concluding statement tomorrow.

The paper titled *Threats to Peace and Unity* identified the following pitfalls:

- The Constitution, which was approved by political means.
- Obvious and deliberate dirty tricks to delay the elections beyond the timetable (specified in the unity charter).

- Continually creating problems and difficulties for the people as a means of delaying the elections.
- Distributing arms as a means of garnering political allegiance to ruling individuals and parties.
- Preaching sectarianism and denominationalism with the blessing of certain official and partisan entities that would not be able to hold onto power except by stirring up racial, sectarian, and denominational prejudices and by sowing dissension among Yemeni tribes.
- Escalating prices and the decline in the value of the Yemeni currency as a result of speculation in dollar exchange rates.
- The tactic of impoverishing the nation and laying the blame on unification.
- The continued application of divisive laws.
- Bickering among the parties in power.
- Continued separation of the Army from the police force.
- Ongoing partisanship in Army and police ranks.
- The constant parceling out of government jobs along divisive, partisan lines.
- Spending public funds to gain political support.
- Breaching law and order, the nonapplication of God's shari'ah, and delaying the implementation of court rulings on non-shari'ah pretexts and justifications.

BANGLADESH

Paper Reports Exclusive Interview With Zia

93AS0389A Madras THE HINDU in English 11 Dec 92
p 9

[Article by P. S. Suryanarayana: "Ayodhya Solution Must Satisfy All Muslims—Khaleda"; boldface words, quotation marks as published]

[Text] The Bangladesh Prime Minister, Mrs. Khaleda Zia, is apprehensive of "far-reaching adverse developments" in South Asia if the Ayodhya issue is "not settled to the satisfaction" of the Muslims all over the world.

Stating this in response to the question during an exclusive interview with THE HINDU here on Thursday, she did not, however, outline the adverse consequences that might be sparked by a solution falling short of the expectations of the Islamic world.

The interview was held in her elegant office as she took some time off her busy preparations for the anticipated arrival of the Pakistan Prime Minister, Mr. Nawaz Sharif, and the Sri Lankan President, Mr. R. Premadasa, who suddenly expressed their desire to come here even after the postponement of the seventh SAARC [South Asian Association for Regional Cooperation]

Conceding that Ayodhya is certainly India's internal problem, the Bangladesh Prime Minister hastened to emphasise its regional and international "repercussions." According to her, "the situation arising out of the demolition of the historic Babri mosque is fraught with a possibility of an adverse impact on Indo-Bangladesh relations."

In Mrs. Zia's view, the Ayodhya crisis could be resolved through steps for an "immediate reconstruction of the mosque and restoration of communal harmony in India." Such a policy response "will not in any way undermine India's sovereignty."

In keeping with the mood of the people and the Government here, questions on the Ayodhya tragedy gained primacy over bilateral, regional and international issues.

On the latest irritant in Indo-Bangladesh relations—the so-called "Operation Pushback"—Mrs. Zia asserted that "the attempt to push Bengali speaking Indian citizens from India into Bangladesh is simply unacceptable to us."

Asked about her anxieties regarding India, she said: "We are really concerned about the Ayodhya issue." She also sought to refute any suggestion that the demolition of the Babri mosque might, in fact, bring Pakistan and Bangladesh together, as evident in Mr. Nawaz Sharif's sudden decision to rush here despite the SAARC summit postponement.

She also discounted the Machiavellian possibility of the emergence of an informal bloc or axis within the South

Asian Association for Regional Cooperation. Nor is the stage being set for a mini-SAARC summit among the leaders of Pakistan, Bangladesh and Sri Lanka.

Excerpts from the interview:

Question: Your Government seems to have shown considerable political restraint over the Ayodhya tragedy. By and large, the people of Bangladesh have not gone on a rampage. There were a few stray incidents directed against select Indian establishments on the day after the demolition of the Babri mosque. But I do hope the people would maintain their overall record of a dignified protest as they have, indeed, done so far.

In this context, do you really think the Ayodhya crisis would in some way, affect Indo-Bangladesh relations?

Mrs. Khaleda Zia: The situation arising out of the demolition of the historic Babri mosque is fraught with such a possibility. Because it hurt the sentiments of the Muslims of our country and the region. The people have protested and condemned the demolition of the mosque strongly. But our people have exercised utmost restraint and maintained communal harmony. Our Government also took appropriate measures to ensure peace and order in the country in the wake of the demolition of the mosque. I feel, the possibility of any adverse impact on Indo-Bangladesh relations can be averted with immediate reconstruction of the mosque on its original site and restoration of communal harmony in India.

Q: Won't you concede the Ayodhya is India's internal problem?

Mrs. Zia: Yes, it is definitely an internal problem of India. But it has repercussions in the neighbouring and Muslim countries with a direct bearing on the whole region.

Q: What role could the international community play, consistent with India's absolute sovereignty?

Mrs. Zia: The international community can play a very important and positive role in persuading the Indian leadership to assuage the outraged emotional feelings of the Muslims throughout the world by rebuilding the demolished mosque on its original site. This will not in any way undermine India's sovereignty.

Q: As for a specific aspect of Indo-Bangladesh relations, what steps would you take in order to welcome the Bangladeshi migrants, now in India, without India having to resort to an "Operation Pushback?"

Mrs. Zia: I have stated several times that there are no illegal Bangladeshi immigrants in India. The attempt to push Bengali-speaking Indian citizens from India into Bangladesh is simply unacceptable to us. Our position on this issue is very clear.

Q: What are your anxieties, if any, about India—the Ayodhya issue? India's potential to become a regional

superpower with or without nuclear weapons? Or, India's potential economic strength?

Mrs. Zia: The superpower concept no longer exists in the world. We also don't want to see the emergence of any superpower in our region. Because, we think, this will disturb peace, stability and balance of power in the region. We want to live in peace on the basis of equality, mutual respect and in a spirit of good neighbourliness. The Ayodhya issue, if not settled to the satisfaction of the Muslims community, may lead to far-reaching adverse developments in the region. We are really concerned about it.

Q: From your standpoint, do you think SAARC could keep India in check?

Mrs. Zia: You know, SAARC is a forum for the common benefit of the member-countries. The question of checking any member-country does not arise.

Q: Do you have any specific one-point agenda for SAARC?

Mrs. Zia: No, SAARC's basic mandate was to visibly improve the living standards of the common South Asian man and woman in an environment of peace. I believe, we should work together to promote human as well as economic development in the region in all its aspects.

Q: Now, the Pakistan Prime Minister, Mr. Nawaz Sharif, and the Sri Lankan President, Mr. Premadasa, have decided to come to Dhaka despite the postponement of the SAARC summit. This is reminiscent of what happened at the time of postponement of the Colombo summit last year. As at Colombo, will there be an informal bloc within SAARC?

Mrs. Zia: No. These leaders are coming here on a goodwill visit. There is no agenda for the talks with them. We will discuss the current situation (arising out of the Ayodhya crisis) and regional and international issues.

Q: Mrs. Nawaz Sharif will come here despite the Ayodhya backlash turmoil in his country. 'Ayodhya' seems to bring together Pakistan and Bangladesh which have differences over issues such as the so-called Bihari Muslims in Bangladesh...

Mrs. Zia: The Pakistan leader is coming here on an absolutely goodwill visit.

Article Says Clinton Should Learn From Bush Failures

*BK0602112793 Dhaka DAINIK ITTEFAQ in Bengali
23 Jan 93 p 2*

[Text] At present, uncertainty prevails in the world. Never has the universe been so pessimistic. Bill Clinton, 46, has taken over as the 42d President of the United States. During his oath-taking ceremony, the young

president did not have anything specific to say, apart from expressing the traditional cautious optimism. On 20 January, the Bush era ended and the Clinton term began. Departure is painful in every country or society. Like Gorbachev, who had to leave following a disaster in the erstwhile Soviet Union, George Bush had to leave following his defeat in the elections. George Bush was greatly anguished because he was not mentally prepared to do so. Rather, he had hoped to be elected for a second term. Bush considered himself a hero because of his military success in the Middle East, his diplomatic achievements, and the massive changes that took place in Eastern Europe and the former Soviet Union.

Bush became ambitious when he remembered the victory of Margaret Thatcher in the elections after the Falklands war. But he forgot Churchill's fate after World War II. Had he remembered it, he would have realized that military success or diplomacy is not always sufficient to win the hearts of the people. For this reason, Bush had to witness the unexpected result of the U.S. elections. Bush has gone, but he has left behind a lifeless and problem-ridden world with no hopes and aspirations. Clinton has inherited these problems as the President of the United States. Everyone expects him to resolve the problems, but it is yet to be seen how successful he will be. Reagan did not leave behind a host of problems for Bush, even though the Cold War was not totally over then. But Bush has left his successor innumerable problems. Clinton has to face this challenge competently, or he will frustrate the world. It is said that every U.S. President has a new national philosophy to give to the American people. Carter gave a new humanism, Reagan a new sense of confidence to his people, while Bush gave a new world order. America is now the only world superpower. In this unipolar system, America has to take on the responsibility of fulfilling the expectations of the people of the world. What will Clinton offer to the world? The universe needs peace, progress, solidarity, and an end to economic disparity between rich and poor countries. The responsibility of ensuring a secure future with no terrorism and aggression has now been given to Bill Clinton. Will Clinton be able to offer the world this new philosophy? Everyone expects him to take measures to save the world from the disaster Bush has hurled it into. Kennedy and Carter enhanced the prestige of the American people through their policy of humanism and by giving up the role of policing the world.

The former governor of a small province like Arkansas is now the sole leader of the only world superpower. He has inherited from Bush worldwide crises, including that in the Middle East, the famine in Somalia, miseries in Bosnia, and air strikes on Iraq. At home, he has to tackle soaring unemployment and a stagnant economy. It is difficult to say how well Clinton will be able to overcome these problems.

Clinton's main accusation against Bush during the election campaign was the miserable state of economy. It is now to be seen how well he will be able to rejuvenate the

economy. Clinton and his party believe in the active participation of government in welfare-oriented programs such as social security. But he has to prove it through action. Bush's philosophy did not get the support of the people. His dream of becoming a hero because of his military success in the Middle east and the fall of communism proved to be false after the U.S. elections. During his last days, Bush made efforts to regain his image by sending humanitarian aid to Somalia, signing the START II Treaty, and ordering fresh air raids in the Middle East. The new President can solve the world's and his country's manifold problems by learning from the failures of the former President and by upholding human values. The American people are hard working and courageous against the challenges of the world. This is Bill Clinton's only hope. For this reason, the world has great expectations that the young President will be able to give the world a new direction.

IRAN

Rafsanjani in Qum To Halt Confrontations

93P40083A London AL-HAYAH in Arabic 18 Dec 92 pp 1, 4

[Report by Safa Ha'eri]

[Text] Paris—Iranian President Hashemi Rafsanjani yesterday traveled to Qum, the leading religious center, to limit the unrest that has emerged from a struggle between the followers of Ayatollah Hoseyn 'Ali Montazeri and those of Ayatollah Hoseyn 'Ali Khamene'i.

Meanwhile, the Iranian news agency reported that Rafsanjani asked both sides to control themselves and to avoid confrontation. Informed Iranian sources said that the unrest began when Montazeri strongly criticized the republic's spiritual leader on his style of religious leadership and accused him of attempting to destroy the customary framework of Shi'ite leadership.

Reports arriving from Qum, the chief stronghold of Iranian religious figures and the cradle of the Islamic revolution that toppled the Shah, indicate that during confrontations between the followers of Montazeri and the security forces of revolutionary guards, 60 individuals were injured and a number of seminarians were arrested.

Informed sources explained that Khamene'i has not tolerated any criticism since he began to seriously to lead Shi'ites everywhere after the death of their grand leader Imam Abol-qasem Kho'ei a few months ago. It is known that the differences between the Iranian leadership and independent Shi'ites has led to a deadlock and until now no successor for the deceased Imam has been chosen. Upon reaching Qum, Rafsanjani went to visit Ayatollah Mohammad Reza Golpaygani and Ayatollah Mohammad Araki, who are his known supporters, and asked them to mediate and improve the situation. He strongly emphasized the importance of Qum as a base of

the Islamic revolution. However, he ignored Montazeri and did not meet him despite the fact that Montazeri enjoys widespread influence and is said to have the allegiance of 250,000 religious persons.

Khomeyni removed Montazeri as his successor, shunned his supporters, and forced him into house arrest surrounded by security forces out of fear of unrest. Supporters of Montazeri believe that Khamene'i has broken the accepted norms in the selection of religious leaders by his decisions on the appointments of religious leaders or their removal.

New Bridge Links Iran, Azerbaijan

LD0902174393 Tehran IRNA in English 1732 GMT 9 Feb 93

[Text] Tabriz, (East Azerbaijan Prov.), Feb. 9, IRNA—A bridge linking Iran's East Azerbaijan Province to the Republic of Azerbaijan across the Aras River was inaugurated at the border town of Khoda-Afarin today, Tuesday, on the occasion of the "10-Day Dawn."

The 110-meter-long and 12-meter-wide bridge was built jointly by Iran and the Republic of Azerbaijan in 16 months. It offers transit facilities for border travellers, and in the near future will also be used for transit of goods between Azerbaijan and Nakhichevan.

The deputy chairman of the Azerbaijan Parliament, Mr. Jalili, as well as Iranian provincial officials, attended the inaugural ceremony.

Khoda-Afarin Bridge is also expected to facilitate the supply of material for the projected building of the Khoda-Afarin Dam on the Aras River.

Cotton Production Faced With Decline

93AS0448K London KEYHAN in Persian 21 Jan 93 p 4

[Text] According to the latest statistics given by the National Cotton and Oil-Bearing Seeds Organization, the amount of land being used to grow cotton declined from 229,570 hectares [ha] in 1369 [21 Mar 1990-20 Mar 1991] to 186,000 ha in 1371 [21 Mar 1992-20 Mar 1993]. Cotton is a strategic crop, and the drop by more than 44 ha [as published] in land being used to grow it is considered a serious threat to the nation's economy.

Currently more than 2 million Iranians make their living in some relation to this crop. Likewise the operations of 23 oil factories and 80 textile factories throughout the country are related to cotton. Economic experts consider the current decline in cotton production in Iran to be due to the following factors:

- Farmers, especially in the province of Mazandaran, prefer other crops to cotton. In other words, the increased cost of producing cotton has caused farmers to prefer growing competing products like soya, or new crops like kiwi and [?fijwa]. The amount of land being used to grow cotton in Mazandaran dropped

- from 125,000 ha in 1369 to 96,000 ha in 1371.
- The economic authorities in Iran are not following any specific policy to protect and develop this vital crop. The guaranteed price of unmilled cotton, which was 350 rials last year, was increased in 1371 by the Economic Council to 390 rials, but there is no official authority willing to buy cotton at this price.
- While the export of cotton has been prohibited since 1366 [21 Mar 1987-20 Mar 1988], the unprecedented crisis in Iran's textile industries has made it difficult to sell this product even on the domestic market. Under these circumstances, experts in the National Cotton Organizations consider the deregulation of the export of this crop to be one of the positive solutions to encouraging farmers to grow cotton.

Foreign Blood Products Main Cause of AIDS

93AS0449E Tehran ABRAR in Persian 20 Dec 92 p 11

[Interview with Dr. Najafi, head of the Health Center of the City of Yazd; interviewer, place and date not given]

[Text] Among the recipients of blood products from foreign countries are 78 persons afflicted with the AIDS virus.

Dr. Najafi, the head of the Health Center of the City of Yazd, said in an interview: The remaining 17 percent have been infected through sexual contact, 2 percent from mother to child, 2 percent in miscellaneous ways, and 1 percent are addicts who contracted the virus through injection.

He added: Most of the AIDS patients have contracted the disease through blood products and through sexual contact in the northern and southern provinces, respectively.

Dr. Najafi said: Given the present trend, traveling to other countries will necessitate the awareness of the passengers, and any sort of negligence shall have tragic consequences.

He mentioned the most important problem in this area to be lack of precise awareness of physicians of the AIDS symptoms and also lack of awareness of the people about the ways this deadly disease is transmitted and spread. He said: The best way to fight the spread of AIDS is to inform the people and give the necessary training in this area.

He said: Today, this disease has become a social and health problem for various countries.

He announced the number of people with the AIDS virus in Iran as 211 by 1 Aban [23 Oct 1992] of this year and said: In 1366 [21 Mar 1987-20 Mar 1988], the first AIDS patient was identified in Iran, and every year the number of these patients increases.

He added: The number of persons infected with the AIDS virus in Iran is 3.6 persons for every 1 million people. This figure in the Persian Gulf countries, including the United Arab Emirates, is 816 persons; in Bahrain, 310 persons; in Qatar, 172 persons; and in Kuwait, 88 persons per 1 million people.

Decrease in Zahedan Malaria Cases Reported

93AS0449F Tehran ABRAR in Persian 27 Dec 92 p 9

[Text] Zahedan. IRNA. With the implementation of the antimalarial projects in Chabahar, the number of those afflicted with this disease this year shows a decrease of 30 percent compared to last year. This figure was about 8,000 persons last year.

Dr. Ghaffari, the head of the health and treatment network of the city of Chabahar, made this announcement and said: Prevention of the spread of malaria requires constant effort. Hence, the allocation of the necessary funds and control of individuals who are suspected of having malaria in border areas is the most important way to fight this disease.

He added: The health and treatment network of Chabahar, despite the lack of specialized forces, has been successful in recent years in the area of reducing infant mortality, which is one of the important health indices. But because of cultural issues specific to the region, it has not been very successful in controlling the population or planned parenthood.

Among the existing health and treatment problems, Dr. Ghaffari cited the lack of health workers in the health centers and added: At the present time, in 67 rural health centers, vaccinations and primary health instructions are given to villagers in Chabahar by health care soldiers. This project has had a positive effect on raising the health level of children under one year of age.

He added: The hospitals of the city of Chabahar, about 700 km from the capital of the province, face shortages of all specialized medical fields.

In conclusion, he considered the shortage of specialists in various health and treatment fields and the comforts to attract these forces as among the problems.

Over 518 Kg Narcotics Seized in Tehran

93AS0449H Tehran ABRAR in Persian 26 Dec 92 p 4

[Text] More than 518 kg of various kinds of narcotics have been seized from 3,116 smugglers and addicts in Tehran in the past few months.

According to the Public Relations Office of the Ideological and Political Office of the Greater Tehran Security Zone, also in the same period, 926 professional thieves have been arrested with a large amount of stolen property, including 88 vehicles, 218 motorcycles, and more than 482 million rials in cash.

According to this report, also from the spreaders of corruption and distributors of prohibited equipment, 12,500 liters of alcoholic beverages, 221 video sets, and more than 5,790 obscene video tapes were seized.

All the accused were sent to the judicial authorities for investigation.